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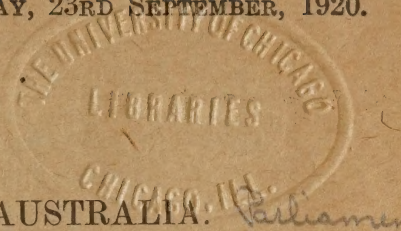
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[ISSUED THURSDAY, 23RD SEPTEMBER, 1920.]

JUL 9 1923



COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFORD MUNRO FERGUSON, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National Government.

Prime Minister and Attorney-General	..	..	(From 10th January, 1918.)
Minister for the Navy	..	..	The Right Honorable William Morris Hughes, P.C., K.C.
			The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
			<i>Succeeded by</i>
			The Honorable W. H. Laird Smith (28th July, 1920).
Treasurer	..	..	The Right Honorable Lord Forrest, P.C., G.C.M.G.
			<i>Succeeded by</i>
			The Right Honorable William Alexander Watt, P.C. (27th March, 1918.)††††
			<i>Succeeded by</i>
Minister for Defence	..	..	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920).
Minister for Repatriation	..	..	The Honorable George Foster Pearce.
Minister for Works and Railways	..	..	The Honorable Edward Davis Millen.
			The Right Honorable William Alexander Watt, P.C.
			<i>Succeeded by</i>
Minister for Home and Territories	..	..	The Honorable Littleton Ernest Groom (27th March, 1918).
			The Honorable Patrick McMahon Glynn, K.C. †††
			<i>Succeeded by</i>
Minister for Trade and Customs	..	..	The Honorable Alexander Poynton (4th February, 1920).
			The Honorable Jens August Jensen.†
			<i>Succeeded by</i>
			The Right Honorable William Alexander Watt, P.C. (13th December, 1918).
			<i>Succeeded by</i>
Postmaster-General	..	..	The Honorable Walter Massy Greene (17th January, 1919).
			The Honorable William Webster. †††
			<i>Succeeded by</i>
Vice-President of the Executive Council	..	..	The Honorable George Henry Wise (4th February, 1920).
			The Honorable Littleton Ernest Groom.
			<i>Succeeded by</i>
Honorary Minister	..	..	The Honorable Edward John Russell (27th March, 1918).
			The Honorable Edward John Russell.
Honorary Minister	..	..	Appointed Vice-President of the Executive Council, 27th March, 1918.
			The Honorable Alexander Poynton.
Honorary Minister	..	..	Appointed Minister for Home and Territories, 4th February, 1920.
			The Honorable George Henry Wise.
Honorary Minister	..	..	Appointed Postmaster-General, 4th February, 1920.
			The Honorable Walter Massy Greene.
			Appointed Minister for Trade and Customs, 17th January, 1919.*
Honorary Minister	..	..	The Honorable Richard Beaumont Orchard**
Honorary Minister	..	..	The Honorable Sir Granville de Laune Ryrie, K.C.M.G., C.B., V.D. ††
Honorary Minister	..	..	The Honorable William Henry Laird Smith.††
			Appointed Minister for the Navy, 28th July, 1920.
Honorary Minister	..	..	The Honorable Arthur Stanislaus Rodgers.***

* Appointed 26th March, 1918. —† Removed from office, 13th December, 1918. —** Resigned office, 31st January, 1919. —†† Appointed 4th February, 1920. —††† Resigned 3rd February, 1920. —†††† Resignation from office gazetted, 15th June, 1920. —*** Appointed 28th July, 1920.

Senators.

(From 1st July, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

* Adamson, John, C.B.E. (Q.)	* Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O. (Q.)
Bakhap, Thomas Jerome Kingston (T.)	* Guthrie, James Francis (V.)
* Benny, Benjamin (S.A.)	Guthrie, Robert Storrie (S.A.)
Bolton, William Kinsey, C.B.E., V.D. (V.)	Henderson, George (W.A.)
* Buzacott, Richard (W.A.)	Keating, Hon. John Henry (T.)
* Cox, Charles Frederick, C.B., C.M.G. (N.S.W.)	* Lynch, Patrick Joseph (W.A.)
Crawford, Thomas William (Q.)	Millen, Hon. Edward Davis (N.S.W.)
De Largie, Hon. Hugh (W.A.)	* Millen, John Dunlop (T.)
* Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)	* Newland, John (S.A.)
* Duncan, Walter Leslie (N.S.W.)	* Payne, Hon. Herbert James Mockford (T.)
Earle, Hon. John (T.)	2 Pearce, Hon. George Foster (W.A.)
* Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)	1 Plain, William (V.)
Fairbairn, George (V.)	Pratten, Herbert Edward (N.S.W.)
Foll, Hattil Spencer (Q.)	Reid, Matthew (Q.)
2 Foster, George Matthew (T.)	1 Rowell, James, C.B. (S.A.)
* Gardiner, Albert (N.S.W.)	* Russell, Hon. Edward John (V.)
* Givens, Hon. Thomas (Q.)	Senior, William (S.A.)
	Thomas, Hon. Josiah (N.S.W.)
	* Wilson, Reginald Victor (S.A.)

1. Appointed Temporary Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919¹ Sworn 21st July, 1920.
3. Appointed Temporary Chairman of Committees, 26th February, 1920.
* Elected 13th December 1919. Sworn, 1st July, 1920.

mated by Mr. Barton, the interest on the capital is not taken into account.

Mr. RYAN.—Did the Commonwealth approach the Queensland Government?

Dr. EARLE PAGE.—I do not know. I heard it rumoured, but I do not vouch for the statement, that the Lahey proposition was offered to the Queensland Government a year or so ago at a considerably lower figure. There is supposed to be 90,000,000 feet of pine in these areas. In the Brooloo scrub, where a mill has been erected by the Queensland Government, there is from 200,000,000 to 300,000,000 feet of pine very much closer to a railway than is the bulk of the timber bought by the Commissioner.

Mr. FENTON.—How far is it from the seaboard?

Dr. EARLE PAGE.—About sixty miles from the seaboard, and 130 miles from Brisbane.

Mr. CORSER.—What would the royalty be?

Dr. EARLE PAGE.—I shall deal with that in a few minutes. The points which I am submitting to the House are worthy of consideration. Any transaction of this kind, which is being carried out by the Minister and the Commissioner without the sanction of the Parliament, should be kept absolutely free of suspicion.

What is the position? Dealing with Lahey's property we find that it was first offered to the Commissioner on the 23rd February last. One month's option was given in April, and was extended with very little difficulty, so that there is no reason why the contract should not have been submitted for the approval of this House. It took six months to complete it. In the second place we find that the price at which the property was originally offered was made up of some £191,000 for the standing timber and £46,000 for machinery. If the Commissioner had gone to the Queensland Government, and had said, "Give us the right to use your timber," he would have done better even if he had been called upon to pay a bigger royalty than is demanded in respect of the timber acquired, which is by no means small.

Mr. MACKAY.—The State saw mills could not get all they required.

Dr. EARLE PAGE.—The Government saw-mills can obtain more than they require because their timber areas

are closed entirely to all private saw mills. In connexion with this transaction £460,000 will have been paid already, and will be bearing interest. Fully one-half of the timber acquired will not be handled for at least five years, and, during the whole of that time, we shall have to pay interest on the purchase money. It would have been better to have made an arrangement with the Queensland Government, even if a bigger royalty had been demanded. I see no reason why the Queensland Government should not have met the Commonwealth in a reasonable spirit, since this timber was required for the building of War Service Homes.

Mr. AUSTIN CHAPMAN.—Were they asked to meet the Commonwealth in this matter?

Dr. EARLE PAGE.—I should like to have some information on that point. Had such an arrangement been made we would have had no interest bill to meet except in respect to the amount actually paid each year by way of royalty. As matters stand, in respect of interest on the purchase money, a considerable sum will have to be charged against the timber used in the construction of these homes. The Lahey property was found to consist of various blocks. It was examined by Mr. McDaniel, of the Yarraman Timber Company, who valued some of the timber up against the tram lines at 12s. per 100 superficial feet, and that 2 miles from a tram line at 10s. 6d. per 100 superficial feet. Some of the timber he found to be 14 or 15 miles distant from a tram line, and in view of the difficulty in getting it out, since rough roads would have to be traversed and a creek crossed sixteen times, he valued it at only 4s. per 100 superficial feet. He said, further, that the scrub timber, which bulks largely in all the valuations, was not of much value at present owing to the high cost of transport, and that the hardwood was so scattered and in such small quantities that it would not pay any company to consider it in the slightest degree.

Mr. RYAN.—For whom did he make this report?

Dr. EARLE PAGE.—For the Commissioner. Strange to say, as to the machinery acquired from Lahey's Limited, the only man in Queensland who

could be found to value it was the other vendor, Mr. J. F. Brett.

Mr. BAYLEY. — There is no man in Queensland who knows more about timber than does Mr. Brett.

Dr. EARLE PAGE. — Quite so. I am not imputing motives. The only point that I wish to make is that in connexion with a purchase of this magnitude—a purchase concluded without the sanction or knowledge of Parliament—it is essential that the whole proceedings should be above suspicion.

Mr. RILEY. — Has the honorable member any doubts as to the genuineness of the transaction?

Dr. EARLE PAGE. — I shall deal with that matter later on.

Mr. McWILLIAMS. — An important letter is missing from the file.

Dr. EARLE PAGE. — The timber purchased from Messrs. Lahey has been valued at something like 8s. 9d. per 100 super. feet standing taking the average over all.

Mr. RYAN. — When Mr. Brett inspected Lahey's property, was his own property under offer?

Dr. EARLE PAGE. — Yes, both properties were under offer. I come now to the statements which have been made as to the enormous amount of money that the Government is going to make out of these transactions. According to Mr. Barton, the accountant who made an examination on behalf of the Minister, if all the timber estimated to be on these holdings can be taken out and finished for ordinary building purposes, the deal, taking the prices ruling when the estimate was made, will show a profit of £2,300,000. That, however, is on the assumption that the prices then ruling—prices that were largely inflated owing to the difficulty of obtaining shipments of Baltic—will be maintained over a period of ten years. An estimate was also obtained as to what it would cost to convert the timber into ordinary finished building material. A Mr. Reynolds Driver, of whom I have no personal knowledge, submitted two alternative schemes. The first of these was that he should buy the timber at 9s. per 100 super. feet all round, and that he should cut it and sell it to the Commissioner at a certain price.

He estimated that under such an arrangement extending over a period of ten years, the Commissioner would have to pay him £1,900,000, or, if he were paid simply so much per 100 feet to cut the timber, it would cost the Commissioner £1,738,000. In estimating the profit of £500,000 or £600,000 that was to ensue from such a transaction, the pine tops, Mr. Barton says, have been valued at 5s. per 100. We now learn that Mr. Brett has been given all the pine tops on his property, as well as those on the property of Laheys Limited, and that Mr. Lahey values the pine tops on his property at 1s. 6d. per 100. Questions had been asked and answered by Mr. Barton as to the status of Mr. Driver, who suggests that the transaction will result in a huge profit. We learn that, unfortunately, Mr. Driver's financial position is not strong enough to enable him to take on such a proposition, but that, if the Commissioner is prepared to assist him, he will run the whole business as a personal venture. Mr. Barton reported that Mr. Driver could not undertake the contract without Government assistance, and he suggests that he could get outside assistance, but by methods which he feels sure would be unacceptable to the Government. Mr. Brett was willing to take on the work of preparing the timber for building purposes at a much higher rate than that proposed by Mr. Driver. His rates were to go up if the cost of production increased. He said nothing about any reduction in rates as the cost of production decreased; but, if a rise in the cost of production took place, there was to be a proportionate increase in rates.

One may well imagine how such an arrangement would operate. We know the system on which saw-millers work. Mr. Driver, if his scheme were accepted, might carry it on for a couple of years. During that time he would have cut out the timber worth 12s. 6d. per 100 superficial feet, for which he would be paying only 9s. per 100 superficial feet, and would thus make a handsome profit. But by the time he got to the timber valued at 4s. per 100 super., he would probably say, "I have had enough of this," and leave that timber on the Government's hands.

This, then, is the sort of proposition that has been carried through. At the close of the negotiations a joinery business was also purchased.

Mr. CORSER.—Will the honorable member tell us what was the proposition as accepted?

Dr. EARLE PAGE.—From what I can gather, Mr. Driver's proposition was recommended; but no definite action has been taken with regard to it. The whole scheme is still in the air. It is a question whether the Government should run its own saw-mills after the methods that have been adopted in Queensland and New South Wales, or whether they should accept Mr. Driver's offer.

Mr. WEST.—But have not the Government purchased these properties?

Dr. EARLE PAGE.—I understand that the Government say that it would be impossible to get out of the bargain without a very serious risk of repudiation. Mr. Barton, the accountant who was employed to inquire into this matter, says that he thinks it fair comment to state that experience shows that Government-owned ventures cannot be run as economically as those owned by individuals. For that reason he suggests that one of the propositions made by Mr. Driver should be accepted. The Government have purchased a "pig in a bag." We have purchased these properties at the top market prices.

Mr. RYAN.—Did I hear the honorable member say that an important document was missing from the file?

Dr. EARLE PAGE.—I would not say that; but I do say that, from information I have received, the file is not quite complete. Had a certain document been on it, I would have been able, so far as the other timber proposition is concerned, to make a statement which I am unwilling to make unless the actual document is before me.

Mr. BAYLEY.—To what letter does the honorable member refer?

Dr. EARLE PAGE.—A letter to the Minister dealing with the report, and the question of the valuation of Brett's property.

Mr. BAYLEY.—By whom was that letter written?

Dr. EARLE PAGE.—I do not feel at liberty, at this stage, to mention the name of the writer; but I intend to put on the notice-paper a question in relation to the matter. The position is that the Government have bought on the basis of the very high prices ruling for timber in April or May last. I am convinced that no timber man in this country thinks for one moment that such prices will be maintained during the next ten years. There can be no doubt that the value of the scrub wood, especially that on Mr. Lahey's property, will be less as other timber comes into this country with the fall in shipping freights.

Mr. BAYLEY.—What is the price to which the honorable member refers?

Dr. EARLE PAGE.—Over 50s. per 100 super. feet.

Mr. BAYLEY.—The current price in Brisbane to-day is 69s. per 100 super. feet.

Dr. EARLE PAGE.—That price will not rule very long. The Federal Government has paid the price of sawn timber.

Mr. BAYLEY.—It is going up every week.

Dr. EARLE PAGE.—Prices will probably continue to increase for some little time. We have bought for ten years ahead. The accountant states that the profit of £500,000 or £600,000, which is the difference between Mr. Driver's estimate and the market price at the time of the purchase, takes no account of interest for ten years on the £500,000 spent on the purchase. Estimated at 6 per cent., this interest would amount to roughly £30,000 a year, or £300,000 for the whole period of ten years, so reducing the estimated profit by that amount.

I am satisfied from the experience of Government timber enterprises in Western Australia, New South Wales, and Queensland, that there will be a considerable loss on the transaction, which apparently is to be borne by the soldiers, who are to have the doubtful privilege of having their outside furnishings made of colonial pine instead of American redwood, because the former is 45s. per hundred cheaper. The Government would be well advised to get Lahey or Brett to handle the proposition, even at a cost of

£50,000 or £100,000 if they desire the output maintained.

Mr. RYAN.—Does the honorable member think that they could be induced to take it back?

Dr. EARLE PAGE.—Not being a lawyer, I would not care to give a legal opinion on that point, but my opinion is that, having made the purchase, we must try to make the best of the bargain, and endeavour to induce Mr. Lahey, or Mr. Brett, or both of them, to run this business on a commission basis, to enable the output to be kept up, because I am satisfied it will not be maintained under Government control. I would like to see provision in the Bill stipulating that no proposition of this magnitude shall be entered into under any circumstances without opportunity being given to Parliament to say whether it approves of the policy entailed or the actual contract itself.

Debate (on motion by Mr. WATKINS) adjourned.

House adjourned at 10.5 p.m.

Senate.

Friday, 17 September, 1920.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 11 o'clock a.m., and read prayers.

LEAGUE OF NATIONS.

GENEVA CONFERENCE—JAPAN AND RACIAL EQUALITY.

Senator KEATING.—I ask the Minister representing the Prime Minister whether his attention has been directed to a press cable published this morning to the effect that, at the forthcoming Geneva Conference, it is the intention of Japan to stress the question of racial equality, and that for that purpose Japan intends being represented by, I think, three official or direct representatives, with the support of some sixty-two assistant representatives or assistants. I ask further whether these facts were before the Government at the time they were making their arrangements for the representation of Australia at the Conference?

Senator E. D. MILLEN.—I regret that I have not seen the cable referred to. It was in the mind of the Government before making their arrangements for representation at the Geneva Conference that Japan would invite a discussion on the question of racial equality, and would be represented at the Conference.

Senator KEATING.—To the extent reported—three representatives and sixty-two assistants?

Senator E. D. MILLEN.—Japan will not have sixty-two votes for the assistant representatives. The number which Japan or any other country cares to send as representatives to the Conference is a matter entirely within its own competence to decide. I may add that the Prime Minister (Mr. Hughes) will, I understand, to-day make a statement covering the whole position. If Senator Keating will wait for an hour or two he may find that the terms of that announcement will satisfy some of the doubts that evidently are in his mind.

Senator DUNCAN.—The Minister for Repatriation (Senator E. D. Millen) will be Australia's first line of defence.

Senator J. F. GUTHRIE.—And a very good one, too.

Senator PRATTEN.—I ask the Leader of the Senate, who is about to leave for Geneva, whether he does not think that it would help him greatly were he to take a French interpreter from Australia with Australian sympathies? I saw an announcement in one of the newspapers that an interpreter was to be engaged on the other side of the world, and that is my reason for making the suggestion.

Senator E. D. MILLEN.—The matter to which the honorable senator refers has been considered, and, if satisfactory arrangements to that end can be made, they will be made.

WAR SERVICE HOMES.

NUMBER BUILT BY DEPARTMENT.

Senator THOMAS (for Senator GARDINER) asked the Minister for Repatriation, *upon notice*—

1. If it is correct, as stated in reply to a previous question on the subject, that 239 houses were built by the Commissioner of War Service Homes up to 31st July, 1920, will the Minister state where these homes are situated?

2. Will the Minister also give the names and addresses of the soldiers who are in possession of these homes?

Senator E. D. MILLEN.—The desired information is being obtained.

WAR PENSIONS.

Senator ELLIOTT asked the Minister for Repatriation, *upon notice*—

1. What is the number of widows of commissioned officers of the A.I.F. who are drawing war pensions from the Commonwealth Government?

2. What is the number of widowed mothers of deceased commissioned officers of the A.I.F. who are drawing war pensions from the Commonwealth Government?

3. What is the number of parents (exclusive of widowed mothers) of deceased commissioned officers of the A.I.F. who are drawing war pensions from the Commonwealth Government?

4. What is the number of children of deceased commissioned officers of the A.I.F. who are drawing war pensions from the Commonwealth Government?

5. Is it possible in any circumstances under the new scale of pensions for widows or other dependants of deceased privates and N.C.O.'s of the A.I.F. to be in receipt of greater pensions than corresponding dependants of deceased commissioned officers?

Senator E. D. MILLEN.—The Commission advises as follows:—

1, 2, 3, and 4. In order to ascertain the particulars required in questions 1 to 4 it will be necessary to examine every pension separately in order to determine whether the beneficiaries were dependants of those of commissioned rank or other members of the A.I.F.

5. No.

I suggest to the honorable member that, as the information desired can only be obtained in the way stated, and would involve a considerable time and some expenditure, he might submit a motion calling for a return including the particulars referred to in his questions.

LEAVE OF ABSENCE.

Motion (by Senator DE LARGIE) agreed to—

That Senator R. S. Guthrie be granted two months' leave of absence to attend to urgent public business.

BUDGET (1920-21).

MINISTERIAL STATEMENT: DEFENCE POLICY.

Debate resumed from 16th September (vide page 4617), on motion by Senator E. D. MILLEN—

That the Estimates of Revenue and Expenditure for the year ending 30th June, 1921,

and Budget Papers 1920-21, laid on the table of the Senate on 16th September, 1920, be printed.

Senator PEARCE (Western Australia—Minister for Defence) [11.7].—I wish to make as clear a statement as is possible upon the military policy of the Government. It will be evident to the Senate, however, that it will not be possible to make public the precise data or the strategical considerations which govern the maintenance of our land Forces. The Prime Minister (Mr. Hughes) has given, in another place, as much information as is possible. Suffice it, I think, to say here that in the full realization of its responsibilities, the Government deems it desirable to maintain a Force of a definite strength, and to make that Force, within reasonable time, something real, and to the extent of our capacity, self contained.

The responsibility for the defence of the country is one of the main duties which have been intrusted to the Commonwealth. The insurance obtained by possessing Forces capable of defending the country is, in the nature of things, expensive. But the expense is trifling in comparison with even a single item of war expenditure. We hardly need the experience of the great war to convince us that war is costly.

It is our aim to keep down to the utmost, compatible with reasonable safety, our expenditure upon insurance. But it is necessary that the people should know exactly the extent of the insurance obtained by their expenditure for military defence. This year the financial liabilities of the Commonwealth are at an extreme, and a complete insurance is beyond our capacity. Within the limit of financial practicability, our endeavour will be to attain the utmost efficiency. But it must be clearly understood that not at once can we assure to the country a complete measure of security.

By the system of annually voting the financial needs for defence there is great risk of lack of continuity of policy. Such a lack, if permitted, must inevitably lead to waste in a Department which, perforce, is a spending one. We have endeavoured, therefore, as far as possible, to foresee our needs over a certain period. The financial provision made this year constructs the military edifice to a determined extent. The continuance of the

policy must, however, demand in subsequent years certain steps forward, and these carry in their train the probability of increased expenditure. The whole scheme is, however, so devised that the process of building can be retarded or increased according to the needs of the international or financial situation at the time.

The Department has not in the past been without a settled policy. As you know, we embarked in 1911-12 upon a system of universal training, which was elaborated for us by the late Lord Kitchener. Under that scheme, had there not been any war, we should now have an Army whose peace establishment would be approximately 130,000, and would require to meet current expenses and annual expenditure of at least £3,500,000. The cost of training alone would be £1,300,000. It is to be noted that in 1914, when only three quotas were under training, the expenditure upon defence amounted to £2,644,392, and that did not include any provision for the then moderate estimate of requirements in munitions.

The present is, however, a turning point in the history of the Forces. The war has naturally enough somewhat dislocated our old system. The trainee who served in the Australian Imperial Force has been exempted from further training, and our Army has in consequence practically to be built again. Moreover, we are now in possession of a wealth of experience, and even if, as the Prime Minister once said, "the oracles of yesterday are buried beneath the *débris* of their own prophecies," such knowledge cannot fail to furnish guidance for the future. A fresh policy has become necessary. In determining how best to create, organize, train, and administer the Forces needed, I have taken the advice of the senior officers of the Australian Imperial Force, as well as senior officers of the Permanent Forces. I have also recast the machinery of the Department of Defence in such manner as will enable it efficiently to administer the policy approved by the Government.

The Military Board, as the means of control and administration, will be retained, but it has been so reconstituted as

to impose upon it a full measure of responsibility. The Council of Defence will be restored, to deal with policy, and insure its continuity, and to co-ordinate the requirements of the sea, air, and land.

I proceed now to outline briefly the proposed policy for the information of the Senate:—

The Government adheres to the principle of maintaining its Forces upon a Citizen Force basis. Permanent troops will only be maintained in sufficient strength to administer and instruct the Citizen Forces, and to provide the nucleus of certain technical services. This is provided for by Statute.

I would like here to emphasize two points. By deciding to defend Australia by means of soldiers who are at the same time citizens, the Government believe that they are interpreting correctly the will of the people. It is well, therefore, that the people should know that my military advisers are satisfied that under such a system military requirements can be met. My second point is that if it is the desire of the people that they should be defended by Citizen Forces, then it is their responsibility to see that the organization is supported and encouraged. Without the aid and co-operation of the people our efforts must be barren of the results desired.

The Government adheres to the principle of universal training, which has been applied for the past nine years.

The principle is in itself just and equitable. The experience of the past nine years shows that it can be applied to military needs, and that its operation has been beneficial to the nation.

A continuance of the universal training scheme cannot at once produce to us the Force required. The annual intake of recruits is only about 18,000. Time is therefore required for development.

In the meantime, therefore, and appreciating the desire of the returned soldier for some definite place in our military system, the Government propose to reopen voluntary enlistment. The Australian Imperial Force will accordingly be invited to join the new Forces, in their old units, and become the foundation upon which the scheme will be built. Facilities will be given to these men to fill positions in the

commissioned and non-commissioned ranks. As universal trainees become available they will be built on to the base thus laid, and fill the vacancies which will occur by the effluxion of time.

The Australian Imperial Force Reserve will be retained, under modified conditions, to meet the needs of these returned men, who are unable, from a variety of causes, more actively to participate in the defence of their country.

The Army to be raised will be composed of—

Two Light Horse Divisions.

Four complete Divisions.

Three fixed Brigades, which in certain circumstances will be capable of union within a fifth Division.

It will be seen at once that the effect of such a re-organization will be to restore the organization of the Australian Imperial Force, an organization tested and proved by war. These divisions will be supplemented by the proportion of "extra divisional units" which war has shown to be necessary, and are at the time within our capacity.

The peace establishment of this Army will be approximately 130,000 men.

Up to the time of the outbreak of the great war our military system was in its infancy, and the manner of our organization had of necessity to savour of the nursery. The war has aged us, and the period of adolescence is now passed. Our future organization must be based on war requirements.

A mobile Army must now be created, and in order that when it is mobilized this Army may have facility for its maintenance, it must leave within the area from which it is drawn certain "fixed machinery" for the purpose.

It is therefore proposed now to adopt a divisional organization. The divisional commander will have complete responsibility for the preparation for war of the Forces under his command. An area will be allotted to him, and *personnel* will be allotted to him as the "fixed machinery" of the area.

With the creation of divisional commands the present office of State or District Commandant will disappear. For the purpose of supply of material, &c., in its broadest sense, there will be maintained in each State a small base office

and a limited staff. This will be part of the "fixed machinery."

An Army, no matter how well organized, staffed, and trained will be powerless, nay, even worse, is liable to be sacrificed, if it is not provided adequately with equipment and munitions. The recent war has shown very clearly the tendency to save man power by the use of mechanical contrivance. Success in war is still to the big battalions, and everything that conserves man power is vital to success. We have coming to us as the equipment of the Australian Imperial Force for which we paid, considerable quantities of equipment and less considerable quantities of guns and ammunition. In the interests alike of the Army and the nation, and despite the cost, it has been deemed necessary to make certain provision for the augmentation of our artillery and ammunition. We have not hitherto in this country included heavy artillery as a requirement. The recent war has shown us clearly that the neglect of it may easily be disastrous. Unfortunately, such munitions are costly and the Government cannot at once see its way financially to provide all that security demands. A beginning is being made, however, and we are in communication with the Home Government to see if more adequate quantities are obtainable upon terms compatible with the present financial situation.

The Senate is probably unaware of the high cost of guns and ammunition. An 18-pounder gun, with its limbers and waggon, costs £3,498. The price of a single round of ammunition is £5 7s. A battery of 18-pounder guns is composed of six guns, and the cost of a battery is therefore £32,988. To this must be added a sum of £8,860 as the cost of the ammunition normally carried.

It was no uncommon thing during the late war for a single gun to fire, during the day, anything from 250 to 450 rounds. The expenditure in ammunition of a single Army in France frequently attained to the enormous expenditure of some 11,000 tons of artillery ammunition. The figures make it clear that our pre-war ideas of a sufficiency of artillery and ammunition have to be enlarged a thousand times.

Prior to the outbreak of war the Government had approved of the principle

of the establishment of an Arsenal. The long continuance of the war has seriously hampered the development of all that was proposed. It is now intended earnestly to prosecute our plans. An Arsenal will be established which it is hoped will gradually be able to supply our peace requirements. It will be established more in the form of a munitions supply branch, aiming rather at insuring that Australian trade shall be able to supply our war needs than that Government-owned factories shall be designed on the scale necessary for the purpose.

The question of storing the equipment now coming to hand has been dealt with upon definite principles, and properly-situated mobilization stores are being provided. This is a provision towards meeting which the last five years would have shown some progress had the war not eventuated. It is unfortunate, from a Budget point of view and from other aspects, that this year so much money must be devoted to works and buildings. It has distorted the Military estimates, and I make this explanation in consequence.

The obligations in respect to training of our present Defence Act were at the time of their adoption regarded as a minimum. It is instructive to measure their value by war experience. I think we can sum up the effect of our scale of training in this wise: The instruction afforded to the rank and file was of very limited practical value, but it had a disciplinary and moral effect not to be regarded lightly. To the officers and non-commissioned officers, aided by the patriotic and voluntary devotion of these members, it gave a training which proved a good foundation for the rapid assimilation of war's lessons and requirements. Military opinion is now unanimous that efforts should be made, if not to the fullest extent, at least to an extent indicating recognition of the need, to repair the defects of the present system.

It is accordingly proposed to give to youths in their first year of obligation, namely, in their eighteenth year, a thorough individual training. The period of this will be ten weeks. To compensate for this necessary addition, a reduction will be made in the number of years over which training is spread. Under the present Act men are required to effect each year, for a period of seven years, sixteen days' training, eight of which must be

camp training. In the eighth year the demand is limited to registration. The total number of days' training, therefore, amounts to 112. Under the new scheme the period over which training is extended will be reduced to four years, in the first year of which the requirement is ten weeks, but in the remaining three years the demand will be what it is now, namely, sixteen days annually. The total period of liability will remain as at present—eight years—but in the last four years of that period the obligation will be an annual registration only. The total demanded of the trainee will, therefore, be 118 days, as against the present 112 days. The proposal appears to have economic and industrial, as well as military, advantages. The bulk of the training will be done by youths in their eighteenth year, and they will be freed of their obligations during their twenty-second year.

It is not proposed this year to attempt to effect the new scale, nor is it intended to make it retrospective. This financial year will be one of preliminary preparation. It is, therefore, intended to call up for eight days' training—that is to say, non-continuous training—the whole of the existing Citizen Forces—approximately between 50,000 and 70,000. The object of this is mainly administrative and disciplinary. Consequent upon the war, and despite our efforts administratively, our Citizen Force has fallen into disrepair. This it is hoped gradually to remedy, and the opportunity will be taken at the same time to graft on to the old system the scheme of re-organization. The trainees of eighteen years old, approximately 16,000, who are due to enter the Citizen Forces this year, will be required to effect their eight days' training in camp in order that they may get as good a grounding as possible. Their home training obligation will be reduced to the equivalent of four days' training instead of the eight days demanded by the Act. In three subsequent years they will only be required to undergo the training at present prescribed, namely, sixteen days annually, and in the four following years annual registration only will be asked of them.

The training to be required of voluntarily enlisted *personnel* will be a minimum statutorily, but judging from the experience of the past, the minimum will be much exceeded by this *personnel*.

Senator Pearce.

It is proposed that the period of enlistment shall be four years, and that each year the prescribed amount of training will be the sixteen days which the present Act requires. No less amount would be of any practical value or be likely to give any return commensurate with cost. It is thought that by those desiring to give their services to the country the demand will not be considered excessive. Moreover, the period of training mentioned will not be obligatory.

The necessary amendments to the Act will shortly be submitted to Parliament.

The Permanent Forces will be re-organized in such manner as will enable them most effectively to carry out the duties that will fall to them upon a re-organization of the Forces based upon war requirements. Definite establishments upon an assured basis will be laid down to fulfil administrative and instructional needs, and the strength of the nucleus of technical services required will be precisely determined.

Prior to the inception of the Commonwealth each State possessed voluntary (Junior and Senior) Cadet organizations, which were continued by the Commonwealth up to the inauguration of the Universal Training Scheme in July, 1911. No systematic instruction was possible in this voluntary scheme, and a section of the community only received training.

The adoption by the Commonwealth Government of the Universal Training Scheme as the result of the late Lord Kitchener's report, enabled a complete alteration to be made in the Cadet organization.

The progress of the Universal Training Scheme may be divided into four distinct stages:—

1st. The Preparatory State (prior to 1st January, 1911).—In addition to other preparation this period involved the appointment and training of additional drill instructors; the appointment and training of temporary area officers; the provisional division of the Commonwealth into training, battalion, and brigade areas.

2nd. The Preliminary Stage (from 1st January to 30th June, 1911).—The period was covered by the registration, inspection, and medical examination of the 1894, 1895, 1896, and 1897 quotas of Senior Cadets (*i.e.*, those born in the years 1894,

1895, 1896, and 1897); the medical examination of the 1898 and 1899 quotas of Junior Cadets; the issue of exemptions from training to the medically unfit and to those resident in remote localities; the appointment of localities for training; the organization of Military Senior Cadet units, and the allotment thereto of those liable for training; the appointment of officers to Senior Cadet battalions.

3rd Stage (from 1st July, 1911, to 30th June, 1913).—At this stage we began the training of four quotas of Senior Cadets and two quotas of Junior Cadets. During this time thirteen special instructors of physical training were appointed. The 1894 quota of Senior Cadets was transferred to the Citizen Forces.

4th Stage (from 1st July, 1913, to 30th June, 1920).—In which is included the continuation of Junior and Senior Cadet training up to 1907 quota, and covers the period of the great war. Despite the difficulties occasioned by the war, cadet training was not suspended.

I will as briefly as possible explain the situation of both branches of cadet training, and indicate the future policy and intention.

Realizing the paramount importance of the national physique, the Commonwealth Government, at the instance of several State Governments, arranged a conference of the officials of the various Education Departments and educational bodies throughout Australia to consider the whole question of the physical training of school boys. This conference met in Melbourne during July, 1909. Subsequent conferences were held with the result that a complete Junior Cadet scheme was launched in July, 1911. The agreement arrived at with the State Education Departments and education bodies was that, provided the Commonwealth Government appointed a chief supervisor of physical training, with a special staff of physical training instructors, and made the necessary arrangements for the efficient instruction of the teachers in the subject, the teachers would, in their turn, impart the knowledge thus gained to the boys under their control.

Registration is not required for Junior Cadet training, but all boys of the ages of twelve and thirteen years are subject to medical examination as to their physical fitness to undergo training. The Act requires of these Junior Cadets a total of

ninety hours' training annually. The regulations for Junior Cadet training provide for—

- (a) Physical training—to be carried out on each school day, for not less than fifteen minutes.
- (b) Elementary marching drill, and either miniature rifle shooting, swimming, recreational training, or first aid to the injured.

The Defence Act really provides only for the 52 571 boys attending the schools situated in the training localities; but the co-operation of Education Departments and teachers of schools not under State control has been such that the whole of the schools within the Commonwealth are now actually participating in the training work. This training is inspected annually, and a small *per capita* allowance is made based on its efficiency. This amount is utilized for the purchase of necessary equipment.

Although the Defence Department is only responsible for the instruction of those teachers who train Junior Cadets, the Education Departments of the several States, being desirous of extending the scheme of physical training to their school girls, unanimously asked for a course of instruction to be arranged for their selected women teachers. A special course was held, and these teachers have since disseminated the knowledge gained to the women teachers of the several States.

The war recruited a large number of the men teachers employed in the schools, and rather than cause a suspension of physical training, instruction courses were arranged with the concurrence of the States' Education Departments for the training of women teachers who voluntarily undertook this work.

Since the commencement of Junior Cadet Training, 480 courses of instruction for teachers have been held, and 5,237 women teachers and 7,517 men teachers have received instruction, in addition to the special instructors regularly visiting the schools for purposes of advice.

The Commonwealth Government have thus supported and developed the Junior Cadet training movement in the States to a definite point. It is now for consideration whether the time has not arrived when the responsibility for Junior

Cadet training should pass to the entire control of the States.

A Junior Cadet becomes liable for training as a Senior Cadet in his fourteenth year, and the liability continues during his fifteenth, sixteenth, and seventeenth years. The obligations of the Act respecting training are at present four whole-day drills, twelve half-day drills, and twenty-four night drills.

Ninety-two battalions of Senior Cadets have been organized, including 905 companies, necessitating 2,804 officers—92 as battalion commanders and 2,712 as company officers.

Although organized to a degree on a military basis and controlled by the Military Department, the Cadet organization may be regarded as a universal educational agency rather than as a military body.

During 1917 a committee of officers was assembled to consider the whole question of the suitability of the syllabus of Senior Cadet training. This committee collected valuable data from officers and others closely associated with the Cadet organization and with boy associations. The principle was laid down that a Cadet organization should have for its object the mental, moral, and physical improvement of the youth of the land. The limited time available by the provisions of the Act will not, of course, enable perfection to be attained. It is hoped, however, by the nature of the instruction imparted at parade and drills to give inspiration for private effort.

The revised proposals and syllabus of training are gradually being brought into operation. The amendments to the Syllabus of Training, which were approved in 1918, have already effected a wonderful change in the percentage of attendances at parades, as shown by the following figures:—The number of Senior Cadets actually in training for quarter ending 30th June, 1912, was 92,276—the percentage of attendance to strength being 65.4. Compare this with the returns for the half-year ending 30th June, 1920, when the number of Senior Cadets actually in training was 95,518, and the percentage of attendance to strength 85.3. This undoubtedly proves that the interest of both parents and boys is not lacking.

It is proposed to delete the whole-day parades, as now prescribed, and also

parades of long duration, and substitute daylight parades of two and a half hours' duration, spread over periods to suit local conditions. Variations will be permitted in the case of Senior Cadets attending colleges or schools, and in other special cases. The two hours and a half is not considered excessive when consideration is given to the scope and variety of the subjects to be undertaken, and also that the period of service for any one year is only sixty-four hours.

The four years' training resolves itself into two clearly defined steps. The boy between fourteen and sixteen years will be given work mainly of a physical and recreational nature. The youth of seventeen and eighteen—that is to say, during the second period of his Senior Cadet training—will be given an advanced degree of physical and recreational training, but he will also be prepared for graduation to the Citizen Forces. It has been stated that it may possibly be better to devote the whole time to physical training and body building work, but it must be recognised that a successful scheme of cadet training requires the interest and enthusiasm of the cadets from beginning to end. Further, it is right that every lad before his transfer to the Citizen Forces should be given an introduction to military work. He is keenly interested in obtaining it, and enters upon his Citizen Force career with more zest. Consequently the changes in the system of training have been gradually tending towards this idea, and the completed syllabus, when finally adopted, will follow in the direction indicated.

This, however, is not to be taken as indicating that all subjects of a military nature will be omitted from the first two years of a Senior Cadet's service. Certain subjects of interest to the boy will remain, and instruction given therein. These subjects are to be termed voluntary, since the boys themselves will have a say in selecting those of local or personal interest to themselves.

It is thought that as the training will now clearly follow certain defined lines, and develop individuality rather than suppress it, the difficulty in regard to cadets acting as non-commissioned officers will vanish; the boy who is the leader by virtue of his natural prowess, and who excels in manly games, should be proud to accept

leadership. The Senior Cadet officer has been a difficulty also in the past, because of lack of instruction, and also because of the lack of encouragement. It is proposed to link up the Senior Cadet Unit with the Adult Citizen Force Unit, and allocate a proportion of the Citizen Force officers for duty with the Senior Cadets.

It will be an additional qualification for a Citizen Force officer in the future to have performed duty with the Senior Cadets. The training of the Senior Cadet will resolve itself into a special duty of the commander of the affiliated Citizen Force Battalion. Further encouragement will be given to the Senior Cadet trainee selected to serve with commissioned rank, and efficient instruction in his duties afforded him. It is desired also to induce returned Australian Imperial Force officers, non-commissioned officers, and men to take an active part in the Senior Cadet training.

For some time past many gentlemen have materially helped the Senior Cadet movement on Welfare Committees. These gentlemen have performed yeoman service in this direction, and the greatest encouragement will be given to the formation of these committees, so that the Cadet movement may be linked up to the life of the community.

It is proposed to make material changes in the uniform supplied to the Senior Cadet and clothe him according to the nature of the work he has to do. As physical and recreational training will predominate during the first two years of his training, a complete athletic kit will be issued him in lieu of the present uniform.

That the percentage of physical inefficients has been materially reduced as the result of the operation of a scheme of physical training, is worthy of more than passing notice. In the medical examination of quotas of Cadets on reaching the age of eighteen years, *i.e.*, at the termination of Junior and Senior Cadet service, the following figures, while emphasizing in a rather startling manner the necessity for more energetic interest and efficient action in physical training generally, can be said to disperse any doubts as to the efficacy of rightly conducted Cadet training. During the quarter ending 31st December, 1917, 20,832 youths were medically examined and the percentage of those physically unfitted was

21.65; the following year 22,129 youths were examined and the percentage reduced to 17.67. Again, on 31st December, 1919, the percentage was further reduced to 16.29. The number examined in this instance was 22,904, and an interesting fact in connexion with these boys is that those of the first quoted number comprised Senior Cadets who had no training whatever as Junior Cadets. Those in the second and third numbers quoted were affected by the Junior Cadet training scheme, which is mainly physical training.

Senator DUNCAN.—Was any differentiation made in the areas examined?

Senator PEARCE.—The examinations covered the whole of Australia.

As emphasizing that physical training rightly directed can produce physical fitness, an experiment of far-reaching importance was put into operation during the war period in Melbourne and Sydney, whereby numbers of men enlisted for the Australian Imperial Force who were medically fit, though physically unfit for service, were put under a course of physical training for three months. In even this short time 95 per cent. of these were subsequently passed physically fit for active service.

Our policy in the future respecting the training of both Junior and Senior Cadets will have a proper regard to improving the physical standards of those classed unfit.

Realizing that properly graduated exercises, under competent instructors, are necessary factors in national life, and that the time and expense devoted to them will be repaid in full measure, the Government proposes increased activity in this national work. A central school of physical training for the purpose of higher education in physical training and correlated subjects, and also including in its curriculum teaching methods, is an establishment provided for in the re-organization.

I come now to the formation of the rifle clubs. These clubs were originally formed with the object of training a large number of the citizens of Australia in the use of the rifle, so that, if the necessity arose, their services could be utilized in the defence of Australia as a reserve. With this object in view, they were attested in the Reserve Forces, and certain of them were allotted to units of the Citizen Forces as a reserve.

Senator Pearce.

The conference of senior officers of the Australian Military Forces recently assembled to advise the Government on the future Defence policy has, however, stated that, having regard to modern military training requirements and the number of trained *personnel* available in emergency, they were of opinion that the maintenance of rifle clubs as a reserve is no longer militarily necessary; and that if it be decided to continue to subsidize rifle clubs, the expenditure should not be recognised as a military vote, nor should it be administered by the military branch of this Department.

Senator PRATTEN.—Can the Minister give the names of those officers?

Senator PEARCE.—Yes. The permanent officers were Generals White, Legge, and Chauvel, and the Citizen Force officers, Generals Monash, Hobbs, and McCay.

Senator PRATTEN.—Were they all unanimous in that recommendation?

Senator PEARCE.—Absolutely unanimous. On receipt of this information, I forwarded it to the council of the National Rifle Association, to give them the fullest opportunity to reply to it, and in order that the Government, when considering the question, would have the benefit of both opinions.

It may be stated that the General Officer Commanding the New Zealand Military Forces, in his report for the year ended 30th June, 1920, voices the same opinion.

The Government, after fully weighing the advice of its officers, and also considering the representations by members of the Commonwealth Council of Rifle Associations and Clubs, have decided to provide on the Estimates a total sum of £50,000 as a subsidy to cover all expenses connected with rifle club activities, other than the provision of a certain quantity of ammunition, in regard to which it is proposed to issue from stock a quantity not exceeding the value of £30,000. This amounts to a considerable reduction in the cost of the rifle club movement to this Department compared with pre-war expenditure, taking into consideration the ammunition issued free and the loss on that sold to clubs. The grant is being provided in recognition of the good work performed by the clubs

in the past; their patriotic motives in the encouragement of rifle shooting, and their services in this respect in places outside training areas, where rifle clubs provide the only means of the young men acquiring a knowledge of the rifle.

The grant will be administered by the civil branch of the Defence Department, and the conditions under which the money will be expended and the details of future administration will be settled in consultation with the Commonwealth Council of Rifle Associations and Clubs, the governing body.

I come now to the new, but still very important, matter, namely, the Air Service of the Commonwealth. We are asking for a vote of £500,000 towards the establishment of this service. The great progress made in aviation has not yet reached such a stage as would enable it to be asserted upon a sure basis that a complete defence of any country could be assured by Air Forces alone, but the Naval and Military arms will be incomplete without air assistance to the degree found necessary by war experience. The funds required have been largely reduced by a splendid gift made by the British authorities of 128 aeroplanes with equipment of all kinds. There is, of course, a considerable number of *personnel* already trained, and it is hoped that the measures to be taken in regard to civil aviation will insure a reserve of airmen and machines.

A combined Naval and Military Air Corps will be organized under a Board, composed of flying, equipment, and finance officers. As it is unnecessary at this juncture to create a separate Department, and would be wasteful to separate the naval and military sides of this service, the corps will, for convenience, be placed under the Minister for Defence. This will enable existing administrative machinery to be utilized, and save the setting up of an additional Department. This organization will facilitate an all round training of *personnel* in naval and military flying, and focus the results of the experience to be gained in the development of a combined service. Much preparatory work in the acquisition of sites and works construction has to be done, and it is therefore not possible at the moment to indicate

the number who will be enrolled in the corps this year. For the immediate present it is proposed to set in training the establishment of the following units:—Head-quarters, Australian Air Corps (including representation in London); three station head-quarters, with land, buildings, store, and repair facilities; one central flying school, one aircraft depôt, one squadron flying boats, one squadron ships seaplanes, one squadron torpedo carriers, two fighting squadrons, two corps reconnaissance squadrons. There will be both Permanent and Citizen Force units. Permanent units will be required for service with the Fleet, for squadrons so isolated that citizen *personnel* cannot be utilized, and for training squadrons. The Citizen Force units will consist of a permanent nucleus.

A Bill will be submitted for the constitution, administration, and discipline of the Air Corps.

We have endeavoured to devise an effective means of insuring the full consideration of matters of aviation policy as a whole, in its naval, military, and civil aspects. The Minister will be assisted by a representative War Council, which will include officers of the Navy, Army, and Air Board, and an independent controller of civil aviation.

We recommend a vote of £100,000 for purely civil aviation purposes. As I have indicated the controller of civil aviation will take a seat on the Air Council, where policy will be co-ordinated with the defence aspects of aviation and co-operation with the Air Board authorities will be insured. The Commonwealth is a party to the International Convention for the Regulation of Aerial Navigation, and the Premiers of the States have agreed that the subject-matter should, with unimportant reservations, be referred to the Federal Parliament in terms of section 51 (xxxvii) of the Constitution. A Federal Bill is being drafted in anticipation of the necessary State legislation being passed. It will be the duty of the controller to administer the traffic regulations. Amongst other things will be required machinery for the inspection, registration, and certification of airmen, aircraft, and aerodromes. The controller will also

advise on matters affecting the organization of air lines and schemes for the encouragement of the growth of civil aviation.

It is also proposed that the permanent section of the Air Force shall not be idle, but shall be used in assisting civil aviation to get on a proper basis. We propose to use the *personnel* of that Force very largely for surveying, map-making, and doing the necessary pioneering work in arranging air routes in Australia which will eventually be utilized for commercial purposes. It is obvious that, if commercial firms are to enter into the work of civil aviation and at the same time are to be asked to map out the routes, prepare surveys, depôts, and landing places, the undertaking would be overloaded and would prevent commercial aviation from being successfully undertaken. It is believed that many depôts will be required for military purposes, and as we have established a permanent nucleus the staff might well be employed in carrying out this important work and thus provide the facilities which will not only lessen the cost to be incurred by commercial firms, but will enable them to take up the work more speedily.

Senator PRATTEN.—It really means an expenditure of £600,000 on aviation.

Senator PEARCE.—Yes; but in the first year it will be directed along lines to help commercial aviation, and at the same time will assist necessary work of a military character.

There is another important phase to this question. From time to time honorable senators and others have asked if something could not be done to test the possibilities of carrying mails in Australia by aeroplane. The ordinary procedure is that the Postal Department calls for tenders for the carrying of mails. It would be farcical to call for tenders for carrying mails by air to any part in Australia, as the firms engaged in the work of aviation have no data on which to base tenders. The Department is therefore now asking the Postal Department to work in conjunction with the Defence Department for several months and to carry mails over certain routes. By keeping a correct record of the expenditure incurred the Postal Department will have some information on which to work, and will be in a position to give some indication of

the cost, and thus enable outside firms to tender, if they so desire, for carrying mails.

Senator BAKHAP.—Does the Defence scheme include anything in the way of attaching a special scientific staff, consisting of, say, chemists, to the Australian Army?

Senator PEARCE.—Yes, the Council of Defence makes full provision for attaching various scientific bodies in Australia to its sub-committees.

Debate (on motion by Senator DE LARGLIE) adjourned.

COMMONWEALTH CONCILIATION AND ARBITRATION BILL.

Order of the Day read for the consideration of the Bill as reported.

Motion (by Senator RUSSELL) agreed to—

That the Bill be recommitted for the reconsideration of clause 21.

In Committee (Recommittal):

Clause 21—

Section 48 of the principal Act is amended—

(a) by inserting, after the word "breach," the words "or to enjoin any organization or person from committing or continuing any contravention of this Act or of the award"; and

(b) by inserting, after the words "of any contravention of," the words "the Act or".

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [11.53].—Honorable senators will recollect that a promise was made last night to insert in this clause the words "High Court." As a result of a conference, and after consultation with the Solicitor-General, I am now in a position to move an amendment, which, I think, will meet the wishes of Senator Keating. The suggestion put forward at the time was too wide, because it practically meant that the High Court could be applied to even where a technical fine of, say, 10s. 6d. had been imposed. The High Court has more important work to perform than to consider trivial cases, and the amendment which I have to submit is one which I think will thoroughly meet the case, and will be generally acceptable. I move—

That after the word "amended" the following new paragraph be inserted:—"(a1) By inserting before the words 'a County, District, or Local Court,' the words 'the High Court or a Justice thereof, or'".

Senator KEATING (Tasmania) [11.55].

—The effect of the amendment, if adopted, will be that the High Court or any Justice of the High Court, which would, of course, include the President of the Arbitration Court, exercising judicial functions, will have the same power as a County Court or District or Local Court to enforce by mandamus or injunction an award. Substantially that is the desire of the Senate and the general community. It does not purport to give to the High Court direct power to impose fines, but, as has already been pointed out, that power is given to Courts of summary jurisdiction. If there is a desire to enforce an award by resorting to a fine that can be done in a Court of summary jurisdiction, and the High Court need not be invoked. If a mandamus or injunction is desired to enforce an award a County, District, or Local Court can be approached; but if the parties desired an award to be enforced by the High Court they can approach that Court. It may be more convenient in some cases to apply to the President of the Arbitration Court, in his judicial capacity, of course, to issue an injunction or mandamus under certain circumstances. If a County, District, or Local Court is invited to issue a mandamus or injunction the Court may say that it is not cognisant of the circumstances, whereas by going direct to a Justice of the High Court, or to the President of the Arbitration Court in his judicial capacity, the case could then be dealt with by some one cognisant of the details and the enforcement is more likely to be expeditiously assured. I quite recognise that the Minister has endeavoured to meet the suggestions contained in the amendment originally projected by Senator Elliott, and in that which I moved last night. It has been pointed out that although certain Courts had jurisdiction the High Court had not, and we are now giving the High Court jurisdiction, not in substitution of the jurisdiction of Local Courts, but in addition. The amendment will confer a supplementary power which will meet all the criticism that would have otherwise been offered to the Bill by Senator Elliott and myself.

Amendment agreed to.

Clause, as amended, agreed to.

Bill reported with a further amendment.

WESTRALIAN FARMERS AGREEMENT BILL.

SECOND READING.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [12.3].—In moving—

That this Bill be now read a second time, I desire to point out that it consists of a very technical contract which is embodied in the schedule that is attached to it. A new principle is involved in the measure in which the Commonwealth Government propose to co-operate, not with a State Government, but with the owners and growers of the wheat itself.

Senator DE LARGIE.—A great idea.

Senator RUSSELL.—I think that it is a splendid idea. Senator Pratten and I disagree as to the quantity of wheat which was lost to Australia during the existence of the Wheat Pools.

Senator PRATTEN.—We do not differ much upon that point. Our disagreement is not very vital.

Senator RUSSELL.—The wheat which has been lost to Australia affords us an object lesson in the matter of how to avoid similar losses in the future. Had that wheat been placed in silos it would not have been attacked by mice, and many hundreds of thousands of bushels would thus have been saved, because grain can be most effectively treated in silos. Those who look at the conditions which obtain in India to-day must recognise that it is going to be more difficult year after year to obtain supplies of jute from that country. Jute is going to be a very expensive item to our farmers. It is useless to say that India is affected by the same virus as is the rest of the world. The fact remains that wages there have increased enormously, with the result that if in the future Australia is able to obtain jute from India at 50 or 60 per cent. above pre-war rates, she will be exceedingly fortunate.

Senator PRATTEN.—Is the money which is provided for in this Bill to be expended for the purpose of saving our farmers the cost of bags?

Senator RUSSELL.—Certainly. In pre-war days, cornsacks could be purchased for 5s. or 6s. per dozen, but their price to-day is about 15s. per dozen. Even if the price should fall in the future, we may be absolutely

sure that it will never again come down to its former level. The cutting out of the high cost of cornsacks will confer a most important benefit upon the farmers of Western Australia.

Senator PRATTEN.—Then this scheme will cut out that cost?

Senator RUSSELL.—To a great extent it will. It ought to cut out at least 90 per cent. of the bags in use at present. The remaining 10 per cent. of them will be used over and over again. Of course, it is fair to assume that, for a number of years, wheat will be carted in bags from the farms to the railways, although the advanced farmer will, doubtless, resort to bulk loading throughout. We may fairly congratulate the organizers of this scheme in Western Australia, and also the farmers in that State, on the magnificent way in which they have co-operated in an endeavour to eliminate the services of agents.

Senator BAKHAP.—This scheme has been mooted for a long time. It deals with the bulk handling of grain.

Senator RUSSELL.—It does.

Senator BAKHAP.—Four years ago, when I was on my way to Western Australia, I met a man who talked about this scheme.

Senator RUSSELL.—The scheme has not been projected for anything like that period. But, in some instances, we did resort to the temporary storage of wheat four years ago. The war was then in progress, nobody knew exactly how long wheat would keep, and consequently we had to obtain some place in which to store our wheat temporarily. In addition to the bulk storage provided under this Bill there will be houses for classifying and grading wheat for export overseas.

Senator PRATTEN.—Can the Vice-President of the Executive Council explain why the Western Australian Government have not anything to do with this scheme?

Senator RUSSELL.—The explanation is that they had not sufficient votes in the State Parliament. The scheme, however, is subject to the Parliament of that State giving full powers to the co-operative company which has been formed.

Senator PRATTEN.—But the Western Australian Ministry had not sufficient

votes to secure the indorsement of the scheme.

Senator RUSSELL.—They had not sufficient money, and they had not sufficient power, probably because a number of their supporters regarded the scheme as of too socialistic a character. Personally, I prefer that the farmers of Western Australia should erect their own silos.

Senator PRATTEN.—Is there not money available for the erection of wheat silos under the Wheat Storage Act of 1917?

Senator RUSSELL.—There is no money available now under that heading.

Senator PRATTEN.—There were £2,000,000 available, of which New South Wales obtained £1,000,000. No other State has had any of that money.

Senator RUSSELL.—There is no desire on the part of the Government to use the powers conferred by this Bill.

Senator PRATTEN.—But the Wheat Storage Act of 1917 was passed by this Parliament.

Senator RUSSELL.—That measure provided only for the temporary storage of wheat. All the wheat covered by it has gone from Australia.

Senator PRATTEN.—The Commonwealth advanced £1,000,000 to New South Wales for the erection of silos, but up to date there has not been a bushel of wheat put into them.

Senator RUSSELL.—That is not the fault of New South Wales. There would have been wheat in them last year if that State had had any wheat surplus. There will be wheat put into them this year. I think that the principle embodied in the Bill is a sound one, and one which Parliament ought to encourage.

Senator PRATTEN.—It is capable of rather indefinite extension.

Senator RUSSELL.—If there be a genuine trading concern in Australia in which the risk of loss is practically eliminated, it is the duty of the Government to assist it by means of co-operation.

Senator FAIRBAIRN.—Who is to be liable for the money which is to be advanced under this Bill?

Senator RUSSELL.—A properly-constituted company, the assets of which

will be held as security by the Commonwealth. In addition, the farmers of Western Australia are paying £250,000 into the company. The latest report from that State is that 244,000 shares have been sold to the farmers there, and as these shares are paid up to £1, they practically provide the whole of the guarantee that is required by the Commonwealth.

Senator PRATTEN.—Poor farmer!

Senator RUSSELL.—The enterprise is not to be run for the purpose of making profits. No profits will be made by the co-operative company; the interest rate is limited to 6 per cent. upon the scrip which is being issued, and the company is not to pay more than 8 per cent. in dividends. There is no likelihood of the scrip being bought up by syndicates or corporations, because it has already been determined that each shareholder shall have only one vote. I know of one farmer who has put £1,200 into the company—representing the value of the wheat which he has in bond—and he has only one vote, just as has any farmer who has perhaps twenty or thirty bags in the Pool.

Senator HENDERSON.—All who are connected with the company must be farmers?

Senator RUSSELL.—Yes. When they cease to be farmers, they cease to be shareholders.

Senator THOMAS.—I think that is a very good idea.

Senator RUSSELL.—The idea is to induce people by means of co-operation to manage as much of their own business as possible. This is a co-operative arrangement under which the Western Australian farmers will be learning to manage their own business.

Senator PRATTEN.—With a subsidy of £2 to £1 from the Commonwealth.

Senator E. D. MILLEN.—It is not a subsidy.

Senator RUSSELL.—It is a loan, and the maximum amount to be advanced by the Commonwealth under the Bill is fixed at £550,000. The money is to be advanced at 6 per cent., and the farmers will themselves put £250,000 into the venture. They must spend £100,000 in giving effect to the proposal before they will receive anything at all from the

Commonwealth. The agreement is safeguarded by the usual conditions of a contract properly drawn up, which will be signed by the Prime Minister on behalf of the Commonwealth, and by the head of the organization in Western Australia on behalf of the farmers concerned.

Senator PRATTEN.—Will the silos be built from plans supplied by J. F. Medcalfe and Company?

Senator RUSSELL.—No particular firm has so far been appointed, but whatever arrangement is made in that regard must receive the approval of the Commonwealth engineer. I do not know whether public tenders will be called for the necessary works, but every matter must secure the approval of the Commonwealth engineer, and no alterations in the contract can be made without his consent.

Senator PRATTEN.—That is not in the Bill.

Senator RUSSELL.—It is in the Bill. Our engineer will practically have the final word in connexion with contracts and everything else, because if he reports that any of the terms of the contract are not being carried out in a satisfactory way, we have a simple and effective remedy in the power to stop supplies. The engineer is a very capable man, as is proved by the work he has done in New South Wales. We have in that State, under his supervision, expended no less than £1,500,000 in connexion with the erection of silos, and the total amount involved in disputes in connexion with the work is not more than £600 or £700. We can safely assume that the services of this officer will be a great help to the farmers of Western Australia interested in this proposal.

Senator PRATTEN.—The Minister told me that the Commonwealth had spent only £750,000 in New South Wales.

Senator RUSSELL.—That did not cover the whole of the work done. Mr. Mackay, the engineer, also supervised the erection of the terminal silo.

Senator PRATTEN.—The terminal silo was included in the Minister's answer to my question.

Senator RUSSELL.—A portion of it only. Under this Bill the repayment of the advance is to be by twenty annual instalments commencing twelve months after the starting point, which is to be fixed by the Commonwealth Treasurer. If any default is made in the payment of

an instalment for more than six months after the due date the Treasurer may declare the right of the company to the repayment of the advances by instalments to be forfeited, and thereupon the whole of the advances and interest shall immediately become payable to the Commonwealth. I have said that the interest to be charged is 6 per cent., unless the Commonwealth has to pay more for the money. The rate will probably be the average rate of war loans. We have no desire to make money out of this proposal, but we do desire to assist the farmers of Western Australia, in the way proposed, to help themselves.

Senator PRATTEN.—Will this money be advanced out of war loans?

Senator RUSSELL.—I am not prepared to give a definite answer to that question, but I do not think it will.

Debate (on motion by Senator DE LARGIE) adjourned.

NEW GUINEA BILL.

SECOND READING.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [12.20].—I move—

That this Bill be now read a second time.

In moving the second reading of this Bill, the purpose of which is no doubt understood, I do not think it necessary to do more than indicate in broad outline what is covered by the proposal. The Bill provides for the acceptance first of all of the Mandate in respect of those Territories which, at the earlier stages of the war, were occupied by Australian Forces. They consist of Kaiser Wilhelm's Land, the Bismarck Archipelago, the German Solomons, the Admiralty Group, and all the other German Possessions south of the Equator, other than the German Samoan Islands, and the Island of Nauru.

These previously German Possessions were under the terms of the Treaty of Peace yielded up by Germany in favour of the Allied and Associated Nations on the 7th May, 1919, at Paris, and the Allies agreed to hand them over by Mandate to Australia. This Bill represents the next appropriate step. It provides first of all for the acceptance of the Mandate, and then for the creation of a provisional Government, and for the accep-

tance of the obligations set out in the Mandate which the Allies agreed to issue. I may state that South Africa and New Zealand have taken corresponding action, in one case by direct local legislation as is proposed here, and in the other by operating under the authority of an Imperial Ordinance.

This Bill, in conformity with the Mandate, guarantees the following very important points—

(1) The slave trade is prohibited in the Territory.

(2) No forced labour shall be permitted in the Territory.

(3) The traffic in arms and ammunition shall be controlled in the Territory in accordance with the principles contained in the Convention signed at Brussels on the 2nd day of July, 1890, and known as the General Act of the Brussels Conference, or any Convention amending the same.

(4) The supply of intoxicating spirits and beverages to the natives of the Territory is prohibited.

(5) The military training of the natives of the Territory, otherwise than for purposes of internal police and the local defence of the Territory, is prohibited.

(6) No military or naval base shall be established or fortifications erected in the Territory.

(7) Freedom of conscience, and, subject to the provisions of any Ordinance for the maintenance of public order and morals, the free exercise of all forms of worship, shall be allowed in the Territory.

These obligations imposed by the Mandate are formally accepted in the terms of the Bill now before the Senate. I venture to say that because they are part of the Mandate they will be faithfully observed by Australia, but we shall observe them the more readily, because they are supported by the public sentiment and the public conscience of this community.

Subject to these directions of the Mandate, Australia will possess in respect of these new Territories the same freedom of legislative action which she possesses in respect of the mainland of Australia.

Senator PRATTEN.—Is it the object of this Bill also to provide for a provisional Government for the Territories? Is it for the purpose of carrying out the terms of the Peace Treaty as well as of administering the islands?

Senator E. D. MILLEN.—I intimated only a few seconds ago that one of the purposes of the Bill, amongst others, is the creation of a provisional Government.

Senator PRATTEN.—Under the provisions of the Peace Treaty.

Senator E. D. MILLEN.—No; the provisions of the Mandate. They are set out in this Bill to make it quite clear. In setting up a provisional Government, we are also indicating our acceptance of the provisions of the Mandate by inserting them in the Bill.

Senator BAKHAP.—We are committing ourselves to the agreement.

Senator E. D. MILLEN.—Exactly. In accepting the Mandate in the terms in which it has been issued, the fact is brought home to us that, in assuming the new status achieved by Australia as the result of our warlike efforts, we are, at the same time, committing ourselves to take up new burdens. These may perhaps be found a little inconvenient in the early years of our control of these Territories; but they are inseparable from the position. When Australia first commenced operations in the early days of the war, it was made quite clear in this chamber, particularly as the result of a motion submitted by Senator Bakhap, that Australia was seeking, not additional acres, but additional safety. Unfortunately, it is not possible to secure advantages of that kind without being obliged to put up with some consequent inconveniences and disadvantages. To insure our objective we required some guarantee against these Territories being occupied for any purpose which at any time might become injurious to Australian interests; and that is secured by the acceptance of the Mandate. Having secured that advantage, we are asked to accept the responsibility of looking after and controlling these islands.

There will be undoubted burdens to be borne in discharging that responsibility; but with those burdens there will go opportunities. What they are it is perhaps impossible, at this juncture, to speak of with any confidence, so little is known of these Territories and their economic possibilities. With the control of these Territories given to Australia as a result of the Mandate, we have the responsibility, as well as the privilege, of controlling an area of 159,800 square miles, populated, it is estimated, by 947,000 natives and some 2,000 Europeans.

Whilst I refer to the possible burden that must fall upon the shoulders of Australia consequent upon this action, there are certain features connected with the problem which are of a distinctly hopeful character. In the first place, the whole of the lands in these Territories are Crown lands. Not a single acre has been alienated. It is quite true that the German Government sold certain land to German planters; but, as a result of the war and the subsequent Treaty of Peace, those lands are taken over by the Commonwealth, and are given into the possession of a trustee. So that, for all practical purposes, every acre of these new Possessions is entirely at the disposal of the Commonwealth Government, subject, of course, to such laws as this Parliament may pass.

Senator BAKHAP.—And such rights as the natives may have.

Senator E. D. MILLEN.—They, of course, are protected; and, I venture to say, would be if there were no provision for that purpose in the Bill. I believe that the sentiment of the people of Australia is the best guarantee of that that could be given, and a better guarantee than anything that might be set out in an Act of Parliament.

Senator ELLIOTT.—Does the Minister mean to say that German settlers in these Territories are deprived of their possessory rights?

Senator E. D. MILLEN.—Under one section of the Peace Treaty it was arranged and agreed that the Government of any of the warring nations should take possession of the property of nationals of those countries with which it was at war, and that the dispossessed nationals should look to their own Government for compensation. Under that arrangement the money which might be received here by the Australian Government from the possessions of enemy nationals would be available to pay compensation to Australians similarly dispossessed of property if they happened to possess any in Germany. It is a clearing-house scheme, but for the purposes of this Bill it deprives these Germans of any claim to freehold in that land, unless this Parliament sees fit to give it to them later on.

Senator PRATTEN.—Will this be the only Bill to be introduced into this Parliament upon which will be based the administration of the German islands, and the management of the Civil Service in connexion with them?

Senator E. D. MILLEN.—No. This Bill is by no means the final one. Its purpose is to create a provisional Government in the islands. The reason is that to-day they are all under military occupation, and it is thought highly desirable to terminate military and substitute civil administration at the earliest possible moment. That is all this measure does. It is not pretended that it embodies a final and complete scheme of government, but a start has to be made. It is proposed now to authorize this skeleton administration, and from then on to obtain parliamentary sanction for such filling in of the obvious gaps as experience may dictate. The control of Parliament over anything and everything that will be done in the civil administration is secured by the Bill itself. There is power to issue Ordinances for the control of the Territories, but all these will have to be submitted to Parliament, and can be disallowed just as ordinary regulations under our main Acts may be.

Senator PRATTEN.—Like the War Precautions Act?

Senator E. D. MILLEN.—Yes; they could all be disallowed if Parliament thought fit to do so.

It seems to me, and I should like to stress this fact, that coming out of all the matters to which the Bill is a succeeding step must be this great amount of satisfaction to Australia: the main thought we had in mind was to remove the fear arising from the possible occupation of these islands by people who, at some time in their career, might become unfriendly to Australia. We have not only removed that fear, but we have also secured what represents another tremendous advantage, that is, the right to legislate there according to Australian need and Australian sentiment, always bearing in mind the interests of the natives themselves. This right to legislate in perfect freedom for these islands, limited only by the guarantees to which I have referred, gives us control over such vital matters to Australia as immigration, shipping, and trade, and with these

necessarily will become involved the question of the White Australia policy.

Senator PRATTEN.—That is a chimera out there.

Senator E. D. MILLEN.—But it is not a chimera here. It is a very real factor. This is the more important when it is recollected that German New Guinea runs side by side for some 600 miles with our own New Guinea, as originally possessed by the British Crown. If we did not have a system to control immigration and trade along those 600 miles where the two Territories lie cheek-by-jowl, it is obvious that both people and goods could percolate through along the whole distance from one Territory to the other. If that happened, not only would our control over the newly acquired Territories become very nebulous, but clearly there would be, or might be, a process of penetration into our original New Guinea itself, and this would gradually tend to flow down to Australia. Having this perfect freedom to legislate, subject always to the guarantees mentioned, I submit that we have secured two things which offer us the greatest assurance of that national security which we all desire. The first is that there can be within these islands no potential enemies, and the second is that, by our own right and freedom to legislate, we can direct these Territories as we think fit, bearing in mind the joint interests of Australia and of the natives immediately concerned.

Senator PRATTEN.—What is in the mind of the Government regarding the administration and the Civil Service in these Territories? Will that be under the control of the Public Service Commissioner, for instance?

Senator E. D. MILLEN.—It is not proposed to put the Civil Service of these Territories under the control of the Public Service Commissioner.

Senator PRATTEN.—Or will a new Department be created?

Senator E. D. MILLEN.—In one sense it will not be a new Department, because, presumably, it will come under the Department which controls other Territories. Whether that will be the present Home and Territories Department is another matter. I think all our Departments dealing with these areas will require re-adjusting. Matters of this kind,

which necessarily imply some communication with the League of Nations, and possibly with the Imperial authorities, ought more properly to be attached to the Prime Minister's Department than to the Home and Territories Department as it now exists. I do not assume that any new Department, in the ordinary sense of the term, will be necessary for this purpose, but there must be additional appointments, unless Senator Pratten can show us some method by which one can have omelets without breaking eggs. I do not see how we can accept responsibilities and create a Government, provisional or otherwise, unless we are prepared to make appointments for the various duties that must be carried out.

Senator PRATTEN.—The point of view of the Government in Australia regarding the White Australia policy will be totally different from the point of view in islands containing black people in the Pacific. Consequently, I should say that the same Service that governs one should not necessarily govern the other.

Senator E. D. MILLEN.—This Bill leaves that matter quite open. All that is sought from Parliament now is the authority to create there a civil administration, and to substitute it for the military occupation and control. As to what will develop from it, I submit that we shall have to be a little guided by the results of further examinations that will be made of the problem, and largely by the advice of the few men who first go there to take up the civil administration work. It would be rash for anybody to lay down a hard-and-fast policy regarding these new Possessions. I should hesitate to do so until the question has been looked round from every possible angle. Seeing that the economic and productive possibilities of these islands are at present but scantily known, the Government are already taking steps to have a thorough examination made. They are sending up a small body of gentlemen whose knowledge seems to indicate that their inquiries may be useful. Probably we shall by degrees acquire that information and advice which will enable us to avoid those mistakes which have been committed by all our legislation in every State on the mainland. That is the purpose of

sending up this small mission of scientists and practical men to tell us more definitely than we know at present what can be done there. With that information, Parliament will be fortified to proceed with greater confidence to the ultimate legislation than if it attempted to deal legislatively with these matters to-day.

Debate (on motion by Senator EARLE) adjourned.

SPECIAL ADJOURNMENT.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [12.40].—I move—

That the Senate, at its rising, adjourn until 8 p.m. on Wednesday next.

The ordinary hour of meeting on that day would be 3 o'clock, but, as it is intended to extend a farewell to Their Excellencies the Governor-General and Lady Ferguson, prior to their departure for England on that afternoon, it seems hardly desirable that the Senate should meet before dinner, even if there were half-an-hour or an hour to spare. I have no doubt that honorable senators will concur in this motion.

Senator THOMAS (New South Wales) [12.41].—Is there any necessity for the Senate to meet before 3 o'clock on Thursday? No doubt some New South Wales members will come over for the function mentioned by the honorable senator, but if we do not meet until Thursday afternoon there will be no necessity for others to reach Melbourne before Thursday morning. If the Senate met on Wednesday night, they would have to come over a day earlier for the sake of a sitting which would probably not last more than two hours.

Senator E. D. MILLEN.—I have no objection to the honorable senator's suggestion. Will he move to amend the motion in that direction?

Senator THOMAS.—I move—

That the words "8 p.m. on Wednesday" be left out, with a view to insert in lieu thereof the words "3 p.m. on Thursday."

Amendment agreed to.

Question, as amended, resolved in the affirmative.

ADJOURNMENT.

BUSINESS OF THE SENATE.

Motion (by Senator E. D. MILLEN) proposed—

That the Senate do now adjourn.

Senator THOMAS (New South Wales) [12.42].—Can the Government give the Senate some indication of the state of business? We can see a certain amount of work ahead for Thursday and Friday next; but is there any idea of what is to come forward after next week? Do the Government think they will have any more work for the Senate to do for a while?

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [12.43].—It is not possible to do more than indicate my anticipations. In all these things we are subject to happenings elsewhere. I am confident that honorable senators, while they naturally object, as I do, to being called over here when there is not sufficient work to occupy their time, would be the last to hesitate to attend to the country's business if it were awaiting their attention. With every desire to meet those two points, so far as I can see, when the two measures now on our business-paper are disposed of, there should be every justification for proposing a reasonable adjournment. That, of course, must depend on whether any measures which are not now in sight come up from another place. Subject to the unforeseen happening, I imagine that before the Senate rises on Friday of next week it will be possible to submit a proposition for an adjournment, but for how long I am not at present prepared to say.

Question resolved in the affirmative.

Senate adjourned at 12.44 p.m.

House of Representatives.

Friday, 17 September, 1920.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 11 a.m., and read prayers.

DEATH OF SIR THOMAS EWING.

Mr. HUGHES.—I have just heard that Sir Thomas Ewing, who was long a member of this Parliament, died yesterday. He held office as Postmaster-General,

and also as Minister for Defence, in two of Mr. Deakin's Administrations, and many of us knew him intimately. I had the honour of knowing him for many years as a member of the Parliament of New South Wales, and he was also a member of the first Parliament of the Commonwealth. His sunny nature and amiable disposition endeared him to all. I think we might say with safety that he had no enemies in politics. Although his circumstances were such that a life of leisure would have been more compatible with his disposition, he devoted himself with assiduity to politics, although his health suffered so seriously that he was compelled at length to retire. I desire to express my deep regret, as well as that of my colleagues and the Parliament generally, and to extend to the deceased gentleman's relations our sincere sympathy.

Mr. TUDOR.—I received a shock this morning when I learned that Sir Thomas Ewing had passed away. He was a member of this Parliament for something like ten years, and we all esteemed him for his genial nature. He had absolutely no personal enemies in this Parliament. While he did not spare his political opponents, his criticisms were always bright and breezy, and devoid of that sting which, unfortunately, is associated with much of our parliamentary dissertations. With the Prime Minister, I believe that his work as a member of this Parliament tended to shorten his life. I am very sorry to hear of his death, which is another addition to the gaps that are steadily being made in the ranks of those of us who were members of the first Commonwealth Parliament. On behalf of the Opposition, which I have the honour to lead, I desire to extend to the deceased gentleman's relatives the most sincere sympathy in their sad bereavement.

Mr. McWILLIAMS.—May I add my expressions of regret to those which have fallen from the lips of the Prime Minister and the Leader of the Opposition. I was one of those who had the pleasure of knowing Sir Thomas Ewing personally, and as a member of this House. He was a member of the House of Representatives during the stirring days of the first eight

or ten years of the Parliament, and although he was a really good fighter, he invariably fought with absolute fairness. No one could say that he ever took an unfair advantage of an opponent, or that he uttered a word of hostile personal criticism of a fellow member. It is characteristics such as these that uplift the public life of Australia. I, in common with honorable members generally, mourn Sir Thomas Ewing's death, and desire, on behalf of my party, to extend to his relatives and friends the most sincere sympathy.

Mr. AUSTIN CHAPMAN.—I desire to indorse what has been said by the Prime Minister, the Leader of the Opposition, and the Leader of the Country party. The late Sir Thomas Ewing was an old colleague of mine. I knew him well; he was loved and respected by all. The better he was known the more he was liked. He was a loyal comrade and always "played the game." One regret I have is that all too often we do not discover these good qualities in our fellows until after they have passed away. I hope that we shall endeavour to do so while they live, and try to recognise the good qualities of honorable members, no matter in what part of the House they may sit. "Tom" Ewing possessed the most amiable disposition, and I feel his death deeply. I warmly indorse the kindly remarks that have been made concerning him, and which will be conveyed to his friends.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—As a tribute of respect to the memory of our old colleague, I invite honorable members to rise in their places and remain standing for a few moments.

Honorable members rose in their places.

POSTAL AND TELEGRAPH RATES BILL.

Motion (by Mr. WISE), *by leave*, proposed and agreed to—

That leave be given to bring in a Bill for an Act to amend the Post and Telegraph Rates Act 1902-18.

Bill presented, and read a first time.

SOVIET REPRESENTATIVE IN AUSTRALIA.

Mr. BURCHELL.—Has the attention of the Prime Minister been drawn to a report published in the *Argus* of the 13th inst., that the honorable member for Barrier had stated that the Commonwealth Government had retained the salary attaching to the office of the representative in Australia of the Soviet of Russia, and "doubtless some of the funds of their journal." If so, will the right honorable gentleman state whether the assertion is correct?

Mr. HUGHES.—I am sorry to have to say that it is incorrect. The straitened circumstances of the Government were such that a windfall of this sort would have been welcome. I learn for the first time, and with some surprise, that the Soviet Government is in a position to pay any salary to its officers in this country.

Speaking quite seriously, the statement is grossly inaccurate. The Government has not seized the salary referred to, and it is entirely ignorant of the circumstances of the Soviet representative. It has not seized his correspondence, and is not treating him differently from any other citizen. So far as I know, the facts are that he is treated exactly the same as any other citizen of the Commonwealth.

DUTY ON NEWS PRINTING PAPER.

Mr. GREGORY.—Since the Minister for Trade and Customs has found an opportunity to revise the Tariff Schedule introduced during the present session, I desire to ask him whether he has given any consideration to the request of a deputation representing the country newspapers of Australia, which recently waited upon him, and whether it will be possible for him to bring in an amended Schedule to give effect to that request?

Mr. GREENE.—I have considered the request, and it will be dealt with when the Tariff is under consideration. I would point out to the honorable member that even if a lower duty were brought in we should still be required, under the law, to collect the higher duty until such time as Parliament had altered the Schedule. Thus, no advantage would be

gained by introducing at the present time an amended Schedule fixing a lower rate of duty.

LOW FLYING BY AEROPLANES.

Mr. MARKS.—At the request of the Australian Aero Club, the Australian Jockey Club, Sydney, and the Avro Company at Mascot, I wish to bring under the notice of the Assistant Minister for Defence the disgracefully low flying which took place over Randwick a few days ago, when machines, I understand, were dropping leaflets from so low an altitude that all the horses in the boxes were terrified, and the people on the racecourse rushed for shelter. I understand that the honorable gentleman is President of the Air Board, and I ask whether these facts have been brought under his notice. Cannot something be done, pending the passing of the Air Regulations, to stop this low flying, which, undoubtedly, before long will produce a great tragedy in one of our capital cities?

Sir GRANVILLE RYRIE.—I shall see that the practice is immediately stopped. As soon as the Air Council is definitely formed, regulations will be issued to prevent anything of the sort.

EXPORT OF SHEEP-SKINS.

Mr. RILEY.—Has the Prime Minister come to a decision as to the action to be taken by the Government to carry out the wish expressed by the Conference held last week in regard to the export of sheep-skins? The men in the fellmongering trade are still out of employment. I understand that the Prime Minister promised to bring in legislation dealing with the export of sheep-skins, and I desire to know whether that legislation will be introduced at an early date.

Mr. HUGHES.—I am not aware that the course proposed by the Conference necessitates legislation. I desire, however, to make a statement for the information of the House, and to invite the criticism of all who are concerned in this matter. On Friday last a Conference, consisting of representatives of every section of the wool industry—growers, brokers, tanners, wool scourers and fellmongers, exporters, wool-top manufacturers, spinners and employees—was held. The

question to be considered was the position created by the scarcity of skins, added to the fact that many hundreds of men are now unemployed. The matter before the Conference was how to overcome that difficulty of unemployment. It was decided, I think by thirty-two votes to eight, to recommend a scheme of this kind, namely, that all skins should pass through certain prescribed channels before being exported, and that the local buyer should have an opportunity of purchasing at the world's price before the skins were exported. Now, that is the practice already—so we were told—in the case of nine-tenths of the skins. As a matter of fact, there was some difference of opinion upon this precise point, that is, as to whether the quantity comprised nine-tenths or seven-tenths. However, the local buyer does have a chance now, and it was decided, in order to encourage the industry, to give him the right to secure all his requirements at the world's price. That sounds a perfectly fair proposition. The Conference was called to advise the Government. I bring this matter before the House now. I ought to have done so before, but failed, since the matter had escaped my attention. I invite honorable members to offer any criticisms and objections which they may see fit to present, either on Tuesday or Wednesday next at the latest, so that the sense of Parliament may be gathered in regard to the question. Honorable members will be able to gain precise accounts of the proposals from the press of Saturday last, and from the honorable member for Grampians (Mr. Jowett), the honorable member for Corio (Mr. Lister), and the honorable member for South Sydney (Mr. Riley), who were present at the Conference. All sections of the House should be able to get first-hand information from those gentlemen.

PERSONAL EXPLANATION.

POSTMASTER-GENERAL'S DEPARTMENT.

Mr. HUGHES.—I desire to make a personal explanation. In the *Age* of yesterday there is a report of a speech delivered by myself in Geelong in which appear some statements attributed to myself but which I never made. And, since those particular remarks, as published, reflect most grossly upon my col-

league the Postmaster-General (Mr. Wise), I desire to correct them. I am at a loss to know how the report could have appeared in such shape. It states—

He had been speaking to the Postmaster-General about telephonic communication; he did not like those people who came to him and said that things could not be done. Any one could say that the Government did not pay a man £1,000 or £2,000 a year to say things like that. (Laughter.) What men were paid for was to say how to do the impossible. When the Postmaster-General said it was impossible to get wireless telephones and ordinary telephone wire in this country, he (Mr. Hughes) said, "Go along and get them." The result was that the Postmaster-General told him that afternoon that he was getting them.

That report is like the curate's egg—it is good in parts. But I continued at some length to speak about experts. I was talking about experts—people who come along and tell us that a thing cannot be done. As any one who has had experience of experts must know, they can be absolutely maddening; they can drive one to the verge of despair when telling one that a thing cannot be done. I said that I did not want people like that. My office boy could tell me that things cannot be done. I said I wanted a man who would say, "Yes, this cannot be done, but I will tell you how to do it; and see that it is done." This newspaper, no doubt, has been misled by some careless telegraphist in the Postmaster-General's Department. I am quite sure that the reporter would not have made such a mistake, and the idea that the editor or his staff has made it is, of course, absurd. Somehow or other, however, the mistake has occurred, and I want to say most emphatically that it is one to which I take very serious exception, and to which my colleague, the Postmaster-General, also takes serious exception. I take this first opportunity to say that I was referring to the experts; and if those gentlemen have any ground of complaint concerning what I said I will deal with them in due course.

NEW VARIETY OF SEED WHEAT.

Dr. MALONEY.—Will the Minister for Trade and Customs (Mr. Greene) follow up the courtesy which he showed to me some time ago in obtaining information concerning the wonderful variety of seed wheat known as Yeoman, which gives up to 96 bushels per acre? I

ask the Minister if he will endeavour to obtain a supply of this variety from the Imperial Government for the use of the wheat-growing States of Australia.

Mr. GREENE.—I will have the matter inquired into. I think it probable that the agricultural experimental stations under the control of the various State Governments will have taken up the subject.

PERSONAL EXPLANATION.

CONSTRUCTION OF FEDERAL CAPITAL.

Mr. AUSTIN CHAPMAN.—I desire to make a personal explanation upon the subject of Canberra. In this morning's *Age* it is stated, in the course of a report, that, when the Treasurer (Sir Joseph Cook) was speaking, the honorable member for Bass (Mr. Jackson) made the interjection—"It will be another twenty years before it is finished."

Mr. JACKSON.—That is quite correct.

Mr. AUSTIN CHAPMAN.—I am then reported as having said, also by way of interjection—a most unusual thing for me to do, as honorable members know—"it will be fifty years before we sit there."

Mr. FOWLER.—Well, what is wrong with that?

Mr. AUSTIN CHAPMAN.—I dare say the wish was father to the thought in the case of the *Age*; and I want to point out, by the way, that this is not a report appearing in the *Queanbeyan Age*, but in the *Melbourne Age*. What I said was that it would not be fifty weeks before we sat there; and I may add that that is still my opinion. I do not know whether I will be in order in concluding by saying that, if this House does its duty, I will prove to have been a true prophet.

Mr. BELL.—By way of personal explanation, and in justice to the honorable member for Eden-Monaro (Mr. Austin Chapman), and also to the reporter for the *Age*, I desire to say that I was sitting immediately behind the honorable member yesterday evening, and that it was I who made the interjection to the effect that it would be fifty years before we got to Canberra.

WHEAT HARVEST.

PAYMENT TO NEW SOUTH WALES
FARMERS.

Mr. PARKER MOLONEY.—With regard to the statement of the Prime Minister (Mr. Hughes) that he was considering the question of payment for next season's wheat, I ask if he will specially consider the case of New South Wales, which has just recovered from two years' drought; and will he see if the whole of the 5s. guarantee can be given to the farmers of that State, who have had very great responsibilities thrown upon their shoulders as a result of the drought?

Mr. HUGHES.—The Government are considering the whole matter, and I would not like to forestall their conclusion. Honorable members are aware that we are likely to get a bumper harvest; possibly, indeed, a record crop. There are 37½ bushels to the ton, and it is probable that there will be somewhere between 2,500,000 tons and 3,000,000 tons harvested. If honorable members care to multiply 37½ bushels by 5s., and to multiply that answer by 2,000,000 or 3,000,000—which performance is beyond me—they will realize that the amount of money involved will be quite considerable. My colleague, the Treasurer (Sir Joseph Cook), who has scarcely recovered from his endeavour to grapple with the serious financial position of the Commonwealth, will tell the House that it is no light thing to find £7,000,000 or £10,000,000 next January; for that is the least which we shall have to find during that month. However, we shall do what we can. I fully realize the position of the New South Wales farmers. The Government have considered that phase of the whole situation, and I will say that if anything can be done to give them special consideration it will be done.

Sir JOSEPH COOK.—The amount involved will be more than £30,000,000.

Mr. HUGHES.—Honorable members will see what a thing it is to be a peripatetic ready reckoner. I could not do these things. All the same, I think that the right honorable gentleman is wrong.

Mr. PARKER MOLONEY.—The Treasurer is over-estimating it.

Mr. HUGHES.—Whatever can be done to give the New South Wales farmers special consideration will be done.

OFFICERS AND EMPLOYEES OF
PARLIAMENT.

Dr. MALONEY.—I desire to ask the Prime Minister for information, following up a question having to do with the salaries, bonuses, and promotions of officers and employees of Parliament. Upon the occasion of my originally putting the matter before him, the Prime Minister courteously announced his sympathy with my purpose. I may tell him, however, that I have been unable to obtain the information which I needed in reference to the Senate. Now that the Budget is before the House, I ask if honorable members should not be entitled to the information such as I have suggested, and in regard to the collection of which the Prime Minister was good enough to say that he supported me.

Mr. HUGHES.—This is a matter which, as I said before, is quite beyond my scope, and which rests with Mr. Speaker and the President of the Senate. I supported the request of the honorable member for Melbourne (Dr. Maloney), and I again support his endeavour to secure the required particulars. Mr. Speaker was not in the chair at the time, but Mr. Deputy Speaker informed the honorable member that the information he required was available and could be supplied.

Dr. MALONEY.—Yes, but only in reference to this House. The other gentleman "up there" will not supply the information, for obvious reasons.

Mr. HUGHES.—Well, I cannot help the honorable member. I have no authority "up there." They will not listen to me.

AUSTRALIAN NAVY.

Mr. McWILLIAMS.—Has any report been received from the Imperial Navy which may be published in reference to the advisability of continuing in commission the vessels of the Australian Navy?

Mr. HUGHES.—The British Government have made certain suggestions as to the class of vessel that, if any selection had to be made, would be most useful in all the circumstances; but the honorable member will realize that everything we do in connexion with our naval defence must depend to a large extent on what the British Navy propose to do. Of ourselves we

avail very little, and in turn the British naval authorities are considering the whole situation in the light of the experience gained during the Great War, and the fact that they are pressed by very great financial difficulties, and also with the knowledge that next year it is intended to hold a Defence Conference, at which this matter will be considered.

ATTITUDE OF SENATE.

Mr. BRENNAN.—In view of the fact that in another place an adverse vote has been carried against the Government on two important matters, namely, the Conciliation and Arbitration Bill and the Northern Territory Representation Bill, would an optimist be justified in concluding that this foreshadows a change of Government at an early date?

Mr. HUGHES.—Having been out of the city yesterday I had not learned of these "hostile decisions" of another place, and the news comes to me as a positive "bolt from the blue." I thought that the honorable gentlemen "up there" were quite content and happy, instead of which, apparently, they set about carrying resolutions against the Government. I have always been in favour of the bicameral system, but my tolerance has its limits. I can assure the honorable member that there is no fear of a dissolution of this House, and that if the honorable gentlemen in another place continue as they are doing, I do not see why we should not submit the questions at issue direct to the people.

NUMERALS ON HANSARD VOLUMES.

Dr. MALONEY.—In view of the fact that the forms of the House will not permit me to give notice of the question which I desire to ask, I must request Mr. Speaker to be courteous enough to furnish me with an answer to it without notice. My question is as follows:—Will Mr. Speaker have the numbering of the bound volumes of *Hansard* printed in Arabic numerals, which are far more simple than Latin numerals, as can be seen, for instance, when we compare 88 with LXXXVIII? I defy any mathematician to multiply CCCXLV. by CCCXXXII., using Roman figures throughout. It seems to me that we should follow the example of the State Parliaments, and make use of the more

up-to-date and scientific Arabic system of numbering our *Hansard* volumes.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—The system of numbering volumes of *Hansard* has been in existence from the beginning of this Parliament, but as the *Hansard* reports are not confined to this branch of the Legislature, the matter to which the honorable member refers would naturally have to be referred also to Mr. President. Personally, I think there is a good deal to be said in favour of the honorable member's contention, and the method of numbering, suggested by him, is used in connexion with the House of Commons debates. At the same time I can see one advantage to honorable members in our system, because an honorable member who is anxious to make an embarrassing quotation from another honorable member's speech, perhaps long since forgotten, and recorded in a bound volume of *Hansard*, may occasionally be restrained from doing so by a contemplation of the formidable numerals of which the honorable member has just given us an example.

CRITICISM OF BUDGET.

Mr. WEST.—No doubt I somewhat offended the Treasurer yesterday afternoon by interjecting when he was delivering his Budget. I would like to ask him what he thinks of the leading articles in this morning's newspapers, particularly that in the *Age*, criticising his Budget?

Sir JOSEPH COOK.—I did not pursue the task of reading the whole of that criticism. A little of it was quite enough.

FEDERAL CAPITAL.

ISSUE OF BONDS—LEASEHOLD TENURE—
VOCATIONAL TRAINING OF RETURNED
SOLDIERS IN BUILDING TRADES.

Mr. MARR asked the Prime Minister, upon notice—

1. Whether the Government will favorably consider the question of issuing Canberra bonds, similar to those issued for the building of the city of Guernsey, and thus afford the people of Australia an opportunity to invest their money in the building of necessary administration and parliamentary offices at Canberra?

2. In view of the fact that all land in the Federal Territory is the property of the Commonwealth, will the Government afford an early opportunity to the House of discussing the system of leasehold under which business or private people may acquire land at Canberra?

Mr. HUGHES.—The answer to the honorable member's questions is as follows:—

1 and 2. An opportunity for discussing these matters will be afforded in connexion with the Estimates.

Mr. MARR asked the Prime Minister, *upon notice*—

Whether, in view of the great shortage of labour, the Government will take into consideration the question of vocationally training a number of returned soldiers at Canberra, where, it is alleged, (a) that there are almost 1,000,000 bricks ready for use; (b) that there is a brick-works capable of turning out some of the best bricks in Australia; and (c) that there is a vast quantity of other building material available?

Mr. HUGHES.—The matter will be considered by the Minister for Repatriation.

TELEPHONE SERVICES, NEW SOUTH WALES.

Mr. MARKS asked the Postmaster-General, *upon notice*—

1. What amount of money is estimated by the Postmaster-General's Department to be required for new works to place the telephone services on a satisfactory footing in New South Wales?

2. What amount was asked in this connexion for 1920-1921; what amount is provided on the Estimates, and how it is allotted?

3. What amount has already been expended by commitments?

4. What is the estimated cost of providing additional switchboards at the new automatic exchange in Sydney, and has the necessary provision been made for the same?

5. If not, what provision is being made to meet the public requirements there?

6. What provision has been made for increasing the service in country districts?

7. How many additional trunk lines are required for properly handling country business in New South Wales?

8. Are these lines good financial propositions, and how many can be built out of the amount being provided this financial year?

9. Is provision being made for an additional Sydney-Melbourne trunk line?

10. Is it a fact that all essential material can be procured if funds are provided to enable tenders to be accepted?

Mr. WISE.—The answers to the honorable member's questions are as follows:—

1. It is impossible to state the amount required unless the honorable member intimates whether his question simply refers to the existing telephone service or includes all services applied for, including trunk lines.

2. £380,460 was provided, and has been allotted as follows:—

	£
Telegraphs	9,460
Telephones	117,000
New trunk lines	30,000
Switchboards	39,000
Cables and conduits	183,000
Miscellaneous	2,000

In addition to the amount of £380,460, the Treasurer has agreed to the acceptance of tenders for further material which will be paid for this financial year. He also agrees to the inviting of tenders for material to be paid for in 1921-22, up to a total of £500,000.

3. Approximately, £43,000 has been expended by commitments.

4. £81,784. The Treasurer has concurred in the tenders being accepted.

5. See answer to No. 4.

6. £3,750. This will enable about fifteen lines to be erected. Twenty-five others are approved, and are dependent upon material coming to hand, to obtain which steps are now being taken.

7. This will involve considering the whole of the country business of New South Wales, and will take some time to ascertain.

8. See answer to No. 7.

9. Additional facilities are being provided between Sydney and Melbourne.

10. Yes; but deliveries are subject to delay, owing to the quantity of material which has to be obtained abroad and to the abnormal demands which are being made upon manufacturers.

WAR GRATUITY BONDS.

Mr. MARKS asked the Treasurer, *upon notice*—

1. Is it a fact that certain approved companies may cash war gratuity bonds to an unlimited extent, whilst private individuals, solely with a view to assisting returned men, are greatly limited?

2. To how many bonds and to what amount is a private individual restricted?

Sir JOSEPH COOK.—The answer to the honorable member's questions is as follows:—

1 and 2. In accordance with the Prime Minister's promise, employers and some trading firms and companies have permission to cash bonds, under certain conditions, to an unlimited extent. In the case of applications by private individuals, the registrars of war gratuity bonds at the Sub-Treasuries in the capital cities may permit not more than ten bonds to be cashed by any one person. Where a person desires to cash more than ten bonds, the matter must be specially referred to the Secretary to the Treasury for consideration. The average amount of ten bonds would be about £800.

I may explain that many people have been endeavouring to transfer bonds in bulk, more particularly traders and others who have accumulated them.

There are always plenty of persons in the community ready to take these bonds in bulk, for the simple reason that they get a splendid investment, free of taxation. Of course, we cannot permit that.

WAR SERVICE HOMES.

Dr. EARLE PAGE asked the Minister representing the Minister for Repatriation, *upon notice*—

1. What is the number of War Service Homes erected or being erected in Sydney by the War Service Homes Commissioner?

2. What is the total number for the State of New South Wales?

Mr. RODGERS (for Mr. POYNTON).—The information is being obtained.

COMMERCIAL AVIATION.

Mr. MARKS asked the Treasurer, *upon notice*—

Whether any portion of the £100,000 set aside for the encouragement of civil and commercial aviation will be available in certain proportions and on certain conditions as regards defence, mails, &c., to the manufacturers and owners of aircraft applying for such assistance?

Sir JOSEPH COOK.—The manner in which the money provided for the development of civil aviation will be applied is at present receiving the attention of the Government.

PROPORTIONAL REPRESENTATION.

Mr. MAKIN asked the Prime Minister, *upon notice*—

1. With reference to a promise made by the Minister for Home and Territories to a large deputation of delegates from the Victorian Proportional Representation Society, Victorian Farmers' Union, Australian Catholic Federation, People's Federation of Soldiers and Citizens, Women's Political Association, Melbourne Total Abstinence Society, and Free Trade and Land Values Association; South Australian Proportional Representation League, Australian Natives' Association, Women's Christian Temperance Union, Farmers and Settlers' Association, National party, Single Tax League, Women's Non-party; Western Australian Women's Christian Temperance Union, People's Progressive party, Australian Natives' Association, Farmers and Country party, and Women's Service Guild, has he yet consulted the Cabinet with a view to an opportunity being afforded for this House to discuss proportional representation in relation to Commonwealth elections?

2. If so, will an opportunity be given to discuss the matter, and when?

3. Will the Government also give the House an opportunity of discussing proportional representation for the election of members to

the proposed Convention for the amendment of the Constitution, so that such amendment or amendments shall have the advantage of discussion from various important stand-points before their submission to the people for ratification?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1 and 2. This matter is still under the consideration of the Government.

3. I have already intimated in the House that the method of electing representatives to the proposed Convention will be decided by Parliament when the Bill authorizing the Convention is before it.

SUPERANNUATION SCHEME.

APPLICATION TO NAVAL FORCES.

Mr. MARKS asked the Minister for the Navy, *upon notice*—

Whether the superannuation scheme for the Commonwealth Public Service recently referred to in the press, and reported to include the Military Forces, will also apply to the Naval Forces?

Mr. HUGHES.—The scope of the proposed superannuation scheme is still under consideration.

LEAGUE OF NATIONS.

COMMONWEALTH REPRESENTATION AT GENEVA CONFERENCE—COMMONWEALTH FINANCE AND TRADE—AUSTRALIA HOUSE—IMMIGRATION.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [11.43].—(By leave).—Some time ago it was publicly announced that the Assembly of the League of Nations intended to hold its first session at Geneva on the 17th November next, and in reply to questions put to me in the House I stated that the Commonwealth Government would be represented thereat. Since that time a number of suggestions have been made, and much advice has been given to the Government, as to how the Commonwealth should be represented. It has now been decided that Senator Millen shall attend the Conference as the representative of Australia, and take with him competent official assistance, in the person of Mr. Knowles, an officer under Sir Robert Garran, in the office of the Attorney-General. I have had the opportunity of knowing Mr. Knowles for very many years, and I can say that, excepting only Sir Robert Garran, a more competent man does not exist in the

Commonwealth Service. If I were going myself to Geneva I do not think I could select a man upon whom I could rely with more confidence. Senator Millen will also take with him M. Chevassu, formerly on the foreign editorial staff of the *London Times*, who has made Imperial politics his study, is familiar with all the proceedings of the Peace Conference and the League of Nations, and an accomplished linguist. I need hardly point out to honorable members the importance to Australia of the League of Nations. The whole world now is in a state of flux, and the League of Nations, by its advice and by its power, can exercise a potent influence on our destinies. As honorable members know, the mandates have not been officially issued, and many questions relating to our quota of defence, to the means by which the world's peace shall be maintained, and disease, labour troubles, and other matters dealt with the world over, are in the hands of this, the only international body that has, as it were, the sanction of law behind it. This League, of course, has yet to prove itself competent to deal with all the great questions that are intrusted to it, but its influence already is considerable. Australia is a signatory to the Covenant, and, perhaps, has more to lose than any other nation from the deliberations of the Conference. Many of the things for which our soldiers fought have not yet, as it were, crystallized and assumed so definite a shape as to preclude the possibility of such alterations as would be fatal to our interests. I do not know any man who is more competent to represent the Commonwealth at this great world gathering than my friend and colleague, Senator Millen. He will go to this Conference with a clear understanding that he represents this Parliament and this country on those questions. On certain of the questions to which I have alluded in a general way there is no room for difference of opinion. We cannot have any difference of opinion—we cannot listen to anyone who speaks about any encroachment on the principle of a White Australia. Senator Millen, who holds the Australian view, recognises that fact clearly. There are other matters on the agenda paper which leave any amount of room for difference of opinion, and as to these, of course, Senator Millen will exercise his own discretion. The

Mr. Hughes.

honorable gentleman will leave Australia towards the end of this month. How long the sittings at Geneva will continue it is impossible to say, but at their conclusion Senator Millen will proceed to London in order to deal with matters of great public importance, which, unhappily, have not been dealt with owing to the resignation of the honorable member for Balaclava (Mr. Watt). Senator Millen will take up the questions of finance where that honorable member dropped them. He will deal with questions of trade and trade organizations, and will also make such recommendations and effect such alterations in the organization of the High Commissioner's office as are considered desirable. Of course, I am expressing my opinion as a private member—but other honorable members have been to England during the last two years and are able to judge for themselves—when I say that there are far too few Australians in Australia House—far too few. I think it is essential, if we are to have an Australia House which really represents Australia, to have the staff continually refreshed by new drafts of blood from Australia. These men, after serving at Australia House for a period, will return to Australia and others take their places, in this way maintaining touch with Australia.

Mr. TUDOR.—It would be a good thing if we adopted the same principle in the Customs Department.

Mr. HUGHES.—Quite so.

Mr. BRENNAN.—Will the High Commissioner be an Australian, pursuant to that policy?

Mr. HUGHES.—No; there are limits. I do not think we could get a man to go to England to take up the duties of High Commissioner, and to come back just as a public servant does to resume his place in the Public Service. When a gentleman goes to Australia House as High Commissioner he has divested himself of his political opportunities in order to take up the position, and when he returns he divests himself of that office and all that the office means. There must be some continuity of policy, and, to that end, discretion must be exercised; but, subject to that, the principle I have laid down is, I think, a sound one.

I come now to another matter, with which Senator Millen will also have to deal. I have spoken in this place several

times on the necessity for immigration, and I referred to it when outlining the defence policy of the Commonwealth. I said that 5,000,000 people can neither defend this country nor develop it, and that the remedy for this is more men. The Government have decided to take up the question of immigration, and put it forward with vigour on a bold and comprehensive scale, believing that in no other way can we hope for any success. The Commonwealth and States came to an understanding during the recent conferences—for there were several—in regard to immigration, an understanding that, I think, will commend itself to honorable members. The States agree that it is well that one authority should have control at the other end, and any one who looks at the matter fairly will say that it is better that one authority should speak for Australia—that there should not be six or seven competing authorities talking about particular States. I do not think honorable members quite realize the profundity of the ignorance of the Britisher in regard to Australia. He speaks of Australia as if it were a kind of place to be covered in a day's walk, and he talks about "the climate" of the country. I may say that I have been colder in this country than I ever remember to have been in England; indeed, I have been half frozen to death here. We can find any kind of climate in Australia, and in the interior I have found it colder than in any other country I know of.

Dr. MALONEY.—That is nonsense!

Mr. HUGHES.—I shall not go further into that question, merely suggesting that, in order to test the question, an honorable member has only to camp out, put his feet outside his tent at night, and see how he gets on. What we have to tell the people of Britain is the truth about Australia. I have read some of the prospectuses and highly-coloured statements about Australia, and rose from their perusal convinced that they did not present a fair and accurate picture of this country. We do not desire to bring people here under false pretences, and, therefore, we must tell them the truth. The truth is neither that pessimistic wail we hear on the one hand nor those glowing eulogies we hear on the other. If we cannot induce people to come out here on the merits of the country, it is better they should stay away. We do not wish to

have disappointed men who complain that they have been induced to come here under false pretences; therefore, the first thing we propose is to see that the would-be immigrant learns the facts. It matters nothing to the Commonwealth whether immigrants go to Tasmania or to Queensland. Now, as to the number and the kind of immigrants we desire. Some of the States, of course, are circumstanced quite differently from others: but Queensland and Western Australia have authorized the Commonwealth to get as many immigrants as possible—they will take all we can bring. As to the kind of people we desire, when I put forward the views of the Labour party on immigration I said what I believed to be true, namely, that to throw on the labour market a huge mass of immigrants without regard to the requirements of urban industries is to create conditions that will prove most unfortunate. A community can digest only so many newcomers in a given time, and those newcomers must be of the right kind, and must be put in the right places. And the right kind of preparations must be made for them. The first essential of this country is land settlement; therefore, our efforts must be directed towards getting men to go on the land. As honorable members know, the British Government have offered to pay the fares of ex-service men to any part of the Empire up to, I think, the 31st December this year, and we are negotiating with a view to the extension of that period, so that we may have the advantage of the continued co-operation of the British authorities. We do not propose to stop at trying to induce British ex-service men to come to Australia, but to extend the invitation to all healthy men, young men particularly, including lads and youths, for plastic youth can adjust itself readily to the circumstances of the country. When a man is set in his course of life, it is very difficult to make anything of him in a new country. I think it will be found in practice extremely difficult to attract trained agriculturists from Britain. When I was in Scotland last year I found that the agriculturists were receiving £2 8s. per week "and found" during the harvest. There is plenty of work for them in England, and it is extremely difficult to offer inducements that would attract that class of workmen to Australia. Then there is the

farmer himself. He has had a bad harvest in England this year, and if we listen to him we shall hear exactly the same kind of story as we hear in Australia. We shall endeavour to attract men who have had experience on the land, and have some capital. Honorable members must not suppose that the farmer here is different from the farmer elsewhere. The farmer never does well. I visited my own people in Wales, and listened to the most melancholy tales. Yet they were all right; they were getting 16s. per bushel for their wheat, and, after all, that is not a bad price. Of course, they might have received more, but they were doing very well. I do not expect that we shall attract very many agriculturists, but I hope we shall induce men with small capital to come here, and also plenty of young men on the threshold of life. They are the kind of men we want. They can be moulded to the circumstances of Australia, and imbued with progressive ideas. This country must go ahead, and to do that successfully it must have men in abundance. It cannot have too many men, provided they are of the right type and are set down in the right place. Organization is clearly wanted at this end. The States must do their part, and we have arranged with them that each shall say how many men and what kind of men it will take. That is the best guarantee against any State being swamped with the wrong kind of labour. Then we must see that public opinion is educated as to the necessity for immigration. We cannot allow a "dog-in-the-manger" policy to rule this country. There are many quite well-meaning men who have a perverted idea of the fundamental facts of economics. They think that the fewer the men here, the more work there will be. That is not so. Work increases with the growth of population. If there were no other men coming forward, employment would be reduced to the level of that on Robinson Crusoe's Island. The more men we have, the greater the opportunities for manufacture. We are now on the threshold of a new era of manufacture. If all goes well, we shall certainly have a magnificent season for primary production; and we need it. But we also want abundant labour and additional men

Mr. Hughes.

on the soil. We must have sufficient labour to develop this great country. The Government are doing what is possible in regard to the development of the woollen and iron industries, both of which are peculiarly suited to Australia. The Government recognise that unless we are prepared to deal with immigration in a comprehensive and systematic way we cannot achieve success. I believe that very much will depend upon those who are placed in charge of the work, and we have placed in charge, for the time being, Mr. Percy Hunter, who has had a very long experience of immigration organization. I have known him for many years, and I think he is a most competent man. I have read in the press a statement about the projected appointment of a Commission. I know nothing at all about any such Commission; the Government have no intention of appointing one. I protest against this habit of the press of first of all inventing acts by the Government and then writing leading articles condemning us for doing them. That practice is very trying. What we want is an Immigration Agent in addition to Mr. Hunter in particular—and here I appeal to honorable members of the Country party—a successful farmer, who, having made good in Australia, is prepared to go to England to put the facts about Australia before the people of Great Britain.

Sir GRANVILLE RYRIE.—A Britisher who has made good in Australia.

Mr. HUGHES.—Preferably he should be a man who came from some part of the United Kingdom and has made good in Australia. Such a man will be able to say, "I know all about Australia; I have done what I say you can do." We are sending to England Mr. Barnes, who came to Australia some fifteen or twenty years ago, I believe, and who has made a competence. He will stay in England for a year or so, and put the facts about Australia before the British people.

Mr. TUDOR.—If Mr. Barnes had stayed with the Labour party he would have been denounced as "a Johnny-come-lately."

Mr. HUGHES.—If he came lately, at any rate he has done very well. I remember Mr. Barnes when he was President of the Eight Hours Movement in Brisbane.

Mr. McGRATH.—And a member of the Industrial Workers of the World.

Mr. HUGHES.—I remember him in the Labour movement long before the Assistant Leader of the Labour party (Mr. Ryan) was even on the outer fringe of it. He was the founder of the Butchers Union.

Mr. TUDOR.—He was not. Charlie Anderson did in an hour more than Mr. Barnes did in his life.

Mr. HUGHES.—I am not Mr. Barnes' keeper; I do not know everything he did, but he did good work, and was held in sufficient esteem by the trade unions of Brisbane to be made President of the Eight Hours movement. What is the use of honorable members opposite making this fuss? I ask them to find me a farmer with the right qualifications for this work, and I do not care two straws what his political opinions are. What I want is a man who has made good, and will be a living advertisement of Australia. We ought surely to approach these great national questions from a national standpoint.

Mr. McGRATH.—He "ratted" when you did.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—Order! I ask the honorable member for Ballarat to withdraw that reflection on the Prime Minister.

Mr. McGRATH.—I said that Mr. Barnes "ratted" when the Prime Minister did; that is why he is getting the job. If that is wrong I withdraw it.

Mr. HUGHES.—The honorable member is beneath an honest man's contempt.

Mr. SPEAKER.—Order! I ask the Prime Minister to withdraw that statement, and I remind him that the honorable member for Ballarat has already withdrawn the reflection he made upon him.

Mr. HUGHES.—Well, I say he is not beneath an honest man's contempt.

Mr. SPEAKER.—Order!

Mr. HUGHES.—I apologise for both those statements. It is a most lamentable thing that one cannot introduce any question in this Chamber without honorable members treating it on party lines. I was endeavoring to deal with this matter honestly and on its merits. I place the facts before the House in order that honorable members may know that the Government are going on with this scheme. They believe in immigration, and every man who loves Australia knows it to be

essential for the country's development and defence. The success of this scheme depends upon, not only obtaining the right kind of men, but transporting them to this country, and dealing with them efficiently when they arrive. That in itself will require a very effective organization on this side. To both these phases of the question the Government propose to direct their attention. Senator Millen, during the period he will be in England, will do what he can to give effect to this movement, and we hope that as a result of this policy there will be a large influx of desirable settlers to Australia. They will do very much for us in four ways—they will lighten our burden of taxation, they will produce more wealth, they will help to defend Australia, and they will help to develop it. That, broadly, is our policy. I hope that at the Geneva Conference we shall see that the interests of Australia are safeguarded, as I feel perfectly sure they will be in the hands of so competent a representative as my friend and colleague, Senator Millen.

Mr. TUDOR.—May I have the privilege of saying a few words in regard to the latter portion of the Prime Minister's statement?

Mr. FOWLER.—I rise to a question of privilege. Twice we have listened to statements by the Prime Minister on matters of grave importance, and controversial in character, and the House has not had an opportunity of discussing either of them. It is only fair to the House to request that opportunity shall be given to discuss statements such as the Prime Minister has just made.

Mr. SPEAKER.—There is no provision in the Standing Orders which will allow of such a discussion. It is entirely at the discretion of the House as to whether any honorable member shall be allowed to make a statement when no other business is before the House. The Prime Minister asked leave to make a statement, the nature of which was not indicated. But the granting of leave is entirely in the control of the House, and one objection would have been sufficient to prevent the Prime Minister from speaking. A statement by leave can be made only with the unanimous consent of the House. But such a statement is not open to debate, unless upon a motion regularly moved.

Is it the pleasure of the House that the Leader of the Opposition (Mr. Tudor) have leave to make a statement?

HONORABLE MEMBERS.—Hear, hear!

Mr. TUDOR (Yarra) [12.15].—I was not aware that the Prime Minister (Mr. Hughes) was going to make a statement on this subject this morning, and was temporarily absent from the chamber when he rose. I realize that the representation of Australia at the Geneva Conference is absolutely essential. We must be represented there. The right honorable gentleman has said that there can be no question of party so far as the policy of a White Australia is concerned, and that honorable members on all sides of the House are pledged to that policy. I sincerely hope that Senator Millen will voice the emphatic opinion of Australia as a whole upon that question, and will insist that there must be no departure from that policy, which was practically laid down by this Parliament as far back as 1902.

Mr. MAKIN.—The delegation should be representative of both sides of the House.

Mr. TUDOR.—I do not intend to deal with that phase of the question. I should not have risen but for the statement made by the Prime Minister that Mr. J. T. Barnes is to proceed to Great Britain as an immigration agent on behalf of the Commonwealth. According to the press reports, Mr. Barnes is one of the delegates to the Conference of the National party now sitting, and, as an Englishman who has spent ten or a dozen years in Australia, he is to proceed to the Old Country to tell the people of the conditions prevailing here. I hope it will not be assumed that honorable members of the Labour party acquiesce in the proposal that he shall represent Australia. The responsibility rests with the Government. I certainly protest against Mr. Barnes being sent to England in this capacity. I am personally friendly with him, but he is as bitterly opposed politically to me as is any honorable members opposite. It cannot be said that he will be able to fitly represent Australia. There are Australians who know as much about Australia as do any of our citizens who come from overseas. It was my privilege as an Australian to work in both

England and the United States of America; but because I had worked in England for four years, could it be said that I was qualified to represent England in Australia, and to put forward here the ideals of the people of Great Britain? I think not. Many Australians who have been connected with the Immigration Departments of the various States might fitly represent the Commonwealth as immigration agents in the Old Country.

Having regard to the enormous shortage of houses in all our capital cities, it will behove the Government to go slow in the matter of immigration. In discussing the War Service Homes Bill yesterday, I mentioned that returned soldiers had had their homes sold over their heads, and that they and their uniforms and belongings had been thrown into the street. In such circumstances, it is imperative that Australia should proceed slowly in the matter of immigration. I protest against the selection of Mr. Barnes for the position of Immigration Agent, since I believe that there are thousands of Australians who could better fill the position.

WAR SERVICE HOMES BILL.

SECOND READING.

Debate resumed from 16th September (*vide* page 4708), on motion by Mr. POYNTON—

That this Bill be now read a second time.

Mr. WATKINS (Newcastle) [12.20]. It is not my purpose to speak at length on this measure. While I commend the action of the Government in introducing this Bill, increasing as it does from £700 to £800 of the maximum advance for War Service Homes, I desire to make observations regarding the settlement of soldiers on the land. We have just heard from the Prime Minister (Mr. Hughes) that it is proposed to bring out from the Old Country as many ex-service men and their families as can be attracted to our shores. I do not object to that. I do not object to a scheme of immigration that will attract to Australia the right class of people, whether they are ex-service men or not; but to bring people here when our returned men, in some of the States at least, cannot secure the land that was promised them, would be

an almost criminal act. It would be cruel to those who were induced to come here, and unfair to our returned soldiers. Those who have had anything to do with the settlement of our boys on the land in New South Wales know that the money we have advanced for this purpose to the State Government has not resulted in anything like the adequate settlement of our men. The cost per head has been tremendous. I propose to give a few illustrations of the position in New South Wales. On one occasion I was requested by a couple of returned soldiers to inspect some soldier settlement blocks in a certain district. I have a knowledge of the coastal country, and I do not hesitate to say that the officers who were responsible for the scheme to put returned soldiers on that piece of land ought not to remain in office for another five minutes. I found that it consisted of heavy forest country. The best timber had been cut out of it by the saw-millers, and it would take a life-time to clear the land of the rubbish that was left. Even if it were cleared it would not graze one bullock to the block, much less a bullock to 2 or 3 acres. That is the sort of country which is being offered to some of our boys. I learned that a returned soldier who had taken up one of these blocks was killed while removing one of the trees, and that his wife and child, with her aged father, were living in a small bark hut on the selection, having been advised, no doubt by the Local Committee, to hang on to it until some other returned soldier could be persuaded to take it over and pay for the improvements. This is what is being done with the money we advance to the States to assist in soldier settlement. Our boys are being misled.

Mr. LAIRD SMITH.—That is not our experience in Tasmania.

Mr. WATKINS.—I am speaking of what I have seen in New South Wales. In another case a returned soldier was urged to take up what was described as an irrigation block, but according to the report of a Local Committee the water could be brought on to only 2 acres of the whole block. We are constantly boasting of what we are doing with respect to the settlement of returned soldiers on the land, but in my judgment there has been

no real attempt in New South Wales to settle returned soldiers on the land in the way intended by this Parliament when we agreed that advances for that purpose should be made to the State Governments. I could cite other cases in respect of which most peculiar decisions have been given by the Department. In one case a returned soldier proposed, through the Department, to purchase for £3 per acre a block immediately adjoining a dairy farm for which £10 per acre was asked. His application, however, was turned down by the Department on the ground that the land, although surrounded with dairy farms, was not suitable for dairy farming purposes. One wonders at the reason for such occurrences. Our returned men are not being settled on the land.

Mr. LAIRD SMITH.—They are being settled on the land in every other State.

Mr. WATKINS.—Their settlement on the land is not being proceeded with in New South Wales as it ought to be.

Mr. RODGERS.—The honorable member's statements have no relation to this Bill nor to the administration of the principal Act.

Mr. WATKINS.—My statements are relevant to the general question, since a returned soldier who takes up a block of land comes under this Act if he desires to build a home upon it.

Mr. RODGERS.—That is not so. The principal Act and this amending Bill have no relation to land settlement nor to the erection of homes on broad acres. The land settlement scheme is purely an arrangement made between the Commonwealth and the States, under which the Commonwealth contributes a certain amount of money for the purpose. The whole administration of that scheme, including the erection of homes on broad acres, is left with the States.

Mr. WATKINS.—I commend the Government for what they are doing under the principal Act, and I urge that special attention be given to the land settlement scheme which they are carrying out in conjunction with the States.

There is room for improvement in regard to the prices paid for homes secured under the War Service Homes scheme. The returned men would like to secure grants to enable them to build

homes of any kind they desired so long, of course, as they did not seek to involve the Department to a greater extent than the amount advanced. I realize that our "boys" should be looked after and protected against exploitation; but hardship is being inflicted because the Department is sticking too closely to its plans for home building, and has been refusing applications from those who desire to build according to private plans. I have in mind one case in which a man did not want a house of the type and size proposed by the Department, and had provided himself with a plan to meet his own views. However, because the Department was not prepared to accept the private specifications his application was not approved of. After all, these men have to pay for and live in these homes themselves, and they should have some say in the general scheme of building.

Mr. ROOPEERS.—What the Department is aiming at is the construction of a certain standard of home. It endeavours, wherever possible, to meet the wishes of individual soldiers, but it must take care to provide safeguards in the creation of these national assets in which the Commonwealth has invested its money.

Mr. WATKINS.—Generally, I agree with that; but there is no reason why a sound individual, private plan should not be accepted, or why, because a soldier does not care to build on the lines proposed by the Department, his application for an advance should be disapproved. Numbers of homes have been erected in the vicinity of Cessnock, but returned men will have nothing to do with them. These houses do not appeal to them. It was mentioned to me some days ago by returned soldiers that in the building of homes staffs of, say, twenty carpenters are employed, among whom are four foremen.

Mr. RILEY.—But those four would be working alongside the others, and would be getting only a matter of 1s. or so more a day. That is the usual practice.

Mr. WATKINS.—I am not familiar with the usual practice, but it appears to me that four overseers among twenty men are more than is necessary.

Mr. RODGERS.—In utilizing returned soldier labour it must not be forgotten that it is not, perhaps, of a highly-skilled type, and that these artisans might require a little more supervision.

Mr. WATKINS.—That may be so.

I am in agreement with those portions of the Bill which are intended to widen the scope of the original Act. I notice that benefits are to be advanced to persons who represented the Young Men's Christian Association abroad. I do not object to that; but I want to know why this legislation should stop at the Young Men's Christian Association? Why are not representatives of similar services also to be included? Was not equally good work done abroad by representatives of the Salvation Army? To give special preference to the members of one individual body will create discontent. While our fighting men may not have said anything depreciative of the Young Men's Christian Association, in the matter of its activities on behalf of soldiers on the fighting fronts, I know that they have spoken in far more appreciative terms of services rendered by members of the Salvation Army. This measure proposes to draw an invidious distinction. The Salvation Army representatives did their work in a different way from members of the Young Men's Christian Association.

Reference is made in the Bill to the granting of a war zone badge, or a British Mercantile Marine medal, to qualified men in the Australian mercantile marine. I suggest that the Minister make inquiries regarding the British mercantile medal, because I believe that the Imperial authorities issued badges.

Mr. BURCHELL.—No; a medal was issued by the Board of Trade.

Mr. WATKINS.—This Bill is an improvement on the original legislation; but, in the matter of administration in the various States, I think there should be more direct connexion both in regard to land settlement and the building of homes.

Mr. CORSER (Wide Bay) [12.42].—I agree that this Bill is an improvement upon the original Act. From what I have seen of the construction of War Service Homes in the neighbourhood of Melbourne I can compliment the Minister concerned, and his Commissioner, upon the very good work done and upon the reasonable cost. The honorable member for Yarra (Mr. Tudor) pointed out that the Commissioner insured the cottages erected by the Department. I do not object to that. In fact, it is a very good movement, and is similar to what is generally

done by firms which carry their own insurance. The honorable member, however, attempted to make out, following an interjection by myself, that I was against the action of the Department in effecting these insurances. The honorable member endeavoured to draw an analogy between what was done by the Department and the action of the Queensland Government in creating a State Insurance Department. I interjected that the savings made by that Department were not effected merely by the fact of its creation by the Government. There were other reasons, one of the chief of which was that the Queensland Government compelled every person who had to insure under the Workmen's Compensation Act to do so through the State Department. Thus, a State monopoly was created. Formerly, the sugar-growers had had their own co-operative companies for the purpose of effecting insurances under the Workmen's Compensation Act. As the risks were small, these companies made big profits, and at the end of the year were able to divide a large surplus among their shareholders. But they cannot do that at the present time, because the premiums previously paid to their company now go into the State insurance scheme. Furthermore, the State makes it imperative on householders to insure their domestic servants against accident, &c., under the Workers' Compensation Act. There is no risk attached to this class of insurance; in fact, I have never heard of a claim for workers' compensation being made by a domestic servant, or that one has ever suffered sufficiently to justify such a claim. I look upon this compulsion as representing so much money which is extracted from the public for the purpose of building up a revenue for this State enterprise, thus making it very much easier to reduce the rate of insurance on property on which there is risk. Again, the Queensland Government compel every municipality, shire council, central sugar mill, hospital, or other institution endowed by Government funds to insure through the State Insurance Department. This also gives the Government scheme a tremendous pull, enabling it to reduce the rates on certain classes of property.

Mr. RYAN.—Do not forget that the Queensland fund meets the claim whether the premium has been paid or not.

Mr. CORSER.—I know, as a matter of fact, that the Rockhampton municipality, some time ago, was asked to pay to the State insurance scheme £100 a year more than it was paying previously to a private company. I understand that in the case of large companies or corporations, it was the practice of many insurance companies to make a considerable reduction in their schedule rates by commission as agents, sub-agents, or directors, so that their premiums were often lower than the flat rate which was charged under the Government scheme.

Mr. RYAN.—The honorable member must not forget at the same time that the amount of compensation payable was increased by 75 per cent.

Mr. CORSER.—That may be so. No doubt, some persons may have benefited by the Queensland Government scheme, but in very many cases the insurance premium was paid to cover practically the risk. It was unfair for the Leader of the Opposition (Mr. Tudor) yesterday to quote a few isolated cases, as he did. Some insurance companies are very careful about certain risks, possibly more careful than a State Department would be. However, I am making these remarks now to justify my interjection of yesterday. I am not opposed to the War Service Homes Commissioner carrying out his own insurance. As a matter of fact, in the circumstances, I think it is quite the proper course for him to take.

A great deal has been said by the honorable member for Cowper (Dr. Earle Page) about the recent acquisition of certain saw-mills and timber areas in Queensland. It would have been fairer if the honorable member had put his cards on the table. He said, "I make this charge"; but what charge did he make? He went all round the subject without making any distinct charge. He said that a letter was missing. That letter is not missing, nor is it a communication which would have had the slightest effect on the transaction. Apparently, it is a letter sent by Mr. Brett, or some other person, which did not reach either the Commissioner or the Minister.

Honorable members interjecting,

Mr. CORSER.—If honorable members, instead of interrupting, would allow

me to continue, they would more easily appreciate the point I wish to make. I know nothing about this deal except what the Minister has stated, and what is contained in the papers laid on the table. I do not know whether the transaction is a good or bad one. The saw-mills in question are not in my electorate, and I have no more interest in the matter than has any other honorable member. However, I do regard it as the duty of this House to see that justice is done. The War Service Homes Commissioner, who had been given authority to construct so many thousands of houses, had to consider how best he could go about building them. He found that under the system of buying timber from day to day or week to week prices were constantly jumping up against him. In one instance, where he made an arrangement with millers to receive a rebate of 5 per cent., the price of the timber had been raised by 10 per cent. within a month. As a matter of fact, the increase in the price of timber is largely due to the fact that royalty payable to the Queensland Government for timber standing in the scrub has been increased to 20s. or more per 100 feet. The Queensland Government are not to blame, but they submit the blocks for competition, with a fixed minimum royalty of, say, 5s. per 100 feet, and if the people who are competing to secure the blocks are willing to run the upset price up to 20s. per 100 feet, of course they can do so.

Mr. BAXLEY.—What is the upset price at present?

Mr. CORSER.—I do not know. It was not a case of looking at prospective orders. The War Service Homes Commissioner had instructions from this Parliament to build these houses as well and as cheaply as possible, and no one who has had experience in business would say that it was not better to buy a large quantity of timber at a cheaper rate than would be secured by buying from hand to mouth, especially when there was very frequently a rise in prices. The Commissioner, realizing that some finality must be reached, and in his attempt to carry out his instruction to build these homes as nearly as possible at a cost of £700 each, concluded that he could not do so

unless he could insure an ample supply of timber at a certain price. None of the millers would make a contract with him. They would simply sell from month to month. Periodically they meet and decide upon the price they will charge for their output, and the rate goes up accordingly, the Commissioner, among others, being obliged to pay the higher prices. He acted wisely, therefore, in purchasing these saw-mills, always provided that he got them at a fair price. The only method of ascertaining whether the price paid was fair is by seeing who reported upon the value of the timber as it stood in the bush, and upon the machinery in the mills, and who checked the reports thus received, and by finding out if they were competent to present a fair report. In the first place the Commissioner approached the Queensland Forestry Department, and secured the services of their best man, who valued the timber, and made certain recommendations. Then the Commissioner obtained a man or men to place a value on the machinery in the mills and the plant. Afterwards consideration was given to the effect of having two mills working alongside one another on adjacent blocks. It was evidently decided that more economical work could be done by two mills working large blocks of timber country side by side and using the one management than could be achieved by establishing two widely separated mills with different controls. Furthermore, the timber would not need to be carted such a long distance as would be the case if there were two separately managed mills.

Mr. RYAN.—Did Millars have the opportunity of selling any of their properties?

Mr. CORSER.—I suppose so, but I do not think they would be likely to sell. I do not think offers would be obtained from any millers except those circumstanced as Messrs. Lahey and Brett were. These men went out into the scrub years ago, and took up blocks of 10,000 acres covered with splendid pine. They also secured the timber rights on other blocks, and leases of other blocks when the royalty was probably 4s. or 5s. per 100 feet, and now that it has jumped to 20s. per 100 feet, surely they have an unearned

increment of an enormous amount which they may be prepared to vend as long as the purchaser is willing to give them a considerable portion of the enhanced value of their timber.

Sitting suspended from 1 to 2.15 p.m.

Mr. CORSER.—We must distinguish between saw-mill proprietors like Messrs. Lahey and Brett and other lessees of timber areas. These men, in the first instance, went out into the back-blocks and secured large areas of beautiful pine and other timber, more as a speculation than as an ordinary trading proposition; and, as the price of timber has been rising considerably, they have been in a position to command a substantial sum in the nature of the unearned increment. Apparently they were satisfied to sell out, instead of carrying on business permanently on their own account. In my own electorate there are to be found some of the largest and most up-to-date saw-mills in Australia, the proprietors of which are prepared to do legitimate business by supplying timber requirements, not only within my own State, but in other States as well. They are doing a very successful business, but they avoid any risk of selling at a lower price than that at which they could replace their stocks of standing timber by selling only from month to month.

Mr. TUDOR.—I presume the honorable member is speaking of saw-millers generally?

Mr. CORSER.—Yes. I am referring to the saw-mill owners in my own electorate. They are not prepared to sell all their stocks at once, because, if they did that, they would not be in a position to supply orders which are flowing in from day to day. The difference between the two classes of timber millers is clearly illustrated. The one class is satisfied to take advantage of the rise in timber prices already ascertained; the other prefers to carry on business on a permanent basis. The rise in timber values is probably anything from 3s. or 4s. up to 20s. standing, and they offered to sell it at 15s. per 100 feet standing. A lot of the same class of timber in the bulk in Queensland cannot be bought at less than from 17s. to 22s.; but Messrs. Lahey and Brett apparently were prepared to sacrifice

this prospect, and to be satisfied with the difference between what they gave for it and 15s., a very good profit. The question is how far were the Government justified in passing over other saw-millers and buying these mills. The War Service Homes Commissioner, charged as he is with the responsibility of building about 8,000 houses, realized no doubt that he would not be justified, if it could be avoided, in building the first lot of soldiers' homes at £700 each if other houses built subsequently were going to cost much more. It was his duty to minimize, as far as possible, the cost over the whole transaction. This could not be done by obtaining supplies in a hand-to-mouth fashion, because the mills would not sell for forward delivery. Their last offer was a 5 per cent. reduction on the usual selling price, but they declined to name any quantity, and within one month, after giving a rebate of 5 per cent., they increased the price by 10 per cent. This movement may constantly go on. No one can say that the royalty on timber will not be up to 30s. per 100 feet standing within the next two or three years.

Mr. BAYLEY.—Surely not under the present Queensland Government.

Mr. CORSER.—They put up the timber for sale at a fixed price; but if, as the result of competition, an advance was offered, they could hardly be blamed for taking it; although in dealing with War Service Homes the Queensland Government might have been prepared to dispense with the royalty on timber altogether. This would have meant some practical help to returned soldiers. However, under any circumstances, 15s. per 100 feet is less than current rates, and there is a reserve of 10,000 acres of freehold in regard to which they have not paid one penny. It is all in reserve. I listened attentively to the honorable member for Cowper (Dr. Earle Page). I do not know whether he desired to convey the impression that no proper investigation had been made in regard to the purchase, but I hope not. He omitted to mention that the first step taken was to get the best expert advice obtainable in the reforestation department in Queensland to value the machinery. The honorable member said that the Government got Mr. Brett to value Mr. Lahey's machinery and mill.

As far as I am advised, the Government got a complete valuation outside; but when Mr. Brett's property had been purchased, the Government then asked him if he would give his opinion concerning the timber values on Mr. Lahey's lease. It is important to remember that Mr. Brett's property had then been purchased. Mr. Brett's opinion verified to the fullest extent the expert opinion that had been paid for.

Mr. RILEY.—You said he was casually asked to give an opinion.

Mr. CORSER.—Let me say that the sale of his own property was practically made, so far as I understand, before this request was made for an opinion. In any case, I understand it did not, in the slightest degree, influence the Commissioner in accepting the offer. It was felt that a good man had been secured to report on the value of the machinery, and also on the value of the timber. The land was taken as valueless, though I know it is of considerable value. The next question is whether there is a sale for the timber; and there certainly is, for the purpose of constructing the houses that the Commissioner is authorized to provide. I fail to see how, under the circumstances, any blame is attached to the Commissioner, whom it would have been folly to compel to ask authority for each £50,000 he proposed to spend. Further, the present arrangements will enable the Commissioner to be able to fix the price he will have to charge the soldiers for their homes, which he would not have been able to do under any other circumstances. No direct charge has been made against this deal, and if there is one that can be made, I should like to know what it is. If the deal is a good one, let us approve of it. I have never been in favour of State-owned industries, and I should not be in favour of this were it not for the exceptional circumstances. We know that in Queensland the State saw-mills were not a success, but they had to compete with privately-owned up-to-date mills in the sale of their timber. In this they were not successful because the Government mills were not so up-to-date as those privately owned; but that objection does not apply in the present case, for the Commissioner will utilize all that can be produced and know the price he has to pay for it.

Mr. RILEY.—Are these mills that have been bought up-to-date?

Mr. CORSER.—They are up-to-date for the purpose for which they are acquired, and there is the advantage that all the pine, hardwood, and other varieties of timber will be supplied from the same source. I have already mentioned the saw-mills in Maryborough, but, outside that city, there are many other large saw-mills at Gympie, Bundaberg, and right through my electorate. Timber and made-up goods, such as doors and sashes, are sent all over Queensland and to New South Wales, and some to places outside Australia.

Mr. RYAN.—Have the proprietors of those mills been willing to sell to the Government?

Mr. CORSER.—I should say not, under the circumstances; at any rate, if I were owner of such well-established progressive mills, I should turn down such an idea every time. These mills are good for many years to come, and, consequently, those interested in them are perfectly satisfied to carry on their present operations, for which they have their steamers and everything that is necessary.

Mr. RYAN.—Were they given an opportunity to say whether they were willing to sell?

Mr. CORSER.—I cannot say, but the Minister will be able to inform the honorable member.

Mr. RYAN.—I know that not long ago they were willing to sell.

Mr. CORSER.—In order to show that the timber business is not so bad as has been represented, I may say that one of the largest firms in Sydney the McKenzie Company, are erecting four mills on Frazer's Island, together with a pier for the purpose of loading. If the timber business was such a bad one as we have been told, we should not find men of enterprise, ability, and knowledge extending their operations in this way. Altogether there is evidently a good future for the timber industry. The Prime Minister, this morning, told us of the active immigration policy contemplated by the Government; and this means that timber in large quantities will be required in order to build houses for new settlers, workers, and so forth. Instead of regarding this purchase by the Government as a mistake, we have every reason to congratulate ourselves on its

accomplishment if the valuations are correct. It is generally admitted that the valuation of the timber, checked by the accountancy expert, is one that ought to be satisfactory to this House. The only question is whether 15s. was a fair price to pay, without taking into consideration the value of the land. I have yet to be told that the other expert reports were not satisfactory.

Mr. RYAN.—It has been suggested that there is a suppressed document, which warned the Government against accepting a certain valuation that was, however, accepted.

Mr. RODGERS.—The honorable member for Wide Bay (Mr. Corser) may deny that.

Mr. CORSER.—So far as I understand, what the honorable member for West Sydney (Mr. Ryan) says is not correct; there was no such letter sent to the Commissioner or the Minister. There may have been some correspondence with a man who was endeavouring to convince the Department that it would be better for it to do the work through him.

Mr. RYAN.—But where are the documents?

Mr. CORSER.—I have been informed by the Honorary Minister (Mr. Rodgers) that the correspondence has not been through his hands, nor those of the Minister for Repatriation. I regret that the Queensland Government have not been more sympathetic towards our returned soldiers. The honorable member for West Sydney (Mr. Ryan), who has been Premier of Queensland, will agree with me that there is no State in the Commonwealth that has such good dairying and agricultural land unalienated within easy access of seaports, or with better railway facilities, than Queensland. There is no land in Australia that can be acquired at a cheaper price; but when it comes to the question of tenure the Queensland Government are opposed to freehold and offer perpetual leasehold.

Mr. RYAN.—For what reason?

Mr. CORSER.—Perhaps the reasons are better known to the honorable member than they are to me. Returned soldiers desire to acquire land on a freehold basis, and if it were made available in that way, tens of thousands of soldiers would have been prepared to

settle there, and not only develop the country, but build up the population.

There is another matter which I would like the Minister to take into consideration. Many of our returned soldiers, desirous of starting in business, have experienced considerable difficulty in opening accounts with wholesale firms. Under the present system it is impossible, without considerable delay and risk, for the wholesale merchants to ascertain whether the applicants for credit have any liabilities, because their circumstances with the Department are not published in the ordinary way, and, although in many instances the merchants are desirous of helping the soldiers as much as possible, they are not prepared to do so because of the risk involved. It may be said that by paying a fee of 1s. or so a necessary search could be made, but the merchants have not the time to inquire in other States to ascertain to what extent an applicant may be involved from time to time. Quite recently the following case was reported in *White's Mercantile Gazette*, which is circulated amongst the commercial community—

A certain returned soldier got a loan over certain chattel assets; he left the Colony, and the Department took possession under its bill of sale and sold him up. The whole proceeds of the auction sale did not nearly cover the advance. The man was made insolvent by the trade creditors, and some outside assets realized. The Department now claims the whole proceeds of these, and leaves the creditors absolutely nothing. It should be remembered that trade gazettes can be prosecuted criminally if they publish the security taken in such cases.

The Department claimed the whole proceeds, which left the other creditors absolutely nothing. The procedure was tested in the Courts, and held to be legal.

Mr. RYAN.—I suppose they were protecting the soldiers.

Mr. CORSER.—It is the soldiers I am pleading for. There are many returned soldiers who may not have any liabilities, yet their requests for assistance are constantly being rejected. In many cases business men would be only too willing to help them if they were sure of the position.

Mr. RYAN.—Who sold up the soldier in the case mentioned?

Mr. CORSER.—The Repatriation Department. It realized on its bill of sale;

but, although other creditors who had supplied the man with goods had not been paid, the Department took possession of what was not even covered by the bill of sale, and other creditors had to hand over assets over to the Department. It would be in the interests of the men if it were allowable for securities to be registered and published in the ordinary way. Some receive assistance from men in a small way of business, who, of course, are not in a position to give them such satisfactory terms and prices.

Mr. RODGERS.—Does the honorable member suggest that there should be registration in the ordinary way?

Mr. CORSER.—Yes; I have spoken to many returned soldiers, who have said that their applications have been rejected because they may have given certain securities when they have not done anything of the kind.

Mr. RODGERS.—On the other hand, there are a number who would not like their business affairs to be published in the ordinary way.

Mr. CORSER.—It is no disgrace, because many men who are successful in business to-day have had to obtain credit to enable them to start. I believe that if the returned soldiers' financial arrangements were recorded in the ordinary trade journals they would not object.

Mr. RODGERS.—If a majority of the returned soldiers were in favour of such a proposal the Department would accede to their wishes.

Mr. CORSER.—No one has done more to assist in the repatriation of our men than the Honorary Minister. I am sure he will admit that there is a very small percentage of the men who have any knowledge of business, and some may be indignant at such a proposal, merely because they do not understand the circumstances. I should like to take this opportunity of protesting against the collection of the entertainments tax on the proceeds of band concerts. The bands in Queensland include a large number of returned soldiers, and they give entertainments for the benefit of soldiers, churches, and charities. They make no charge for their services; some of them have even incurred liabilities for the purchase of instruments. Occasionally an entertainment is given in order to pro-

vide funds for the purchase of new instruments, which, however, do not become the property of any individual; they remain in the possession of the band. Yet on the proceeds of all these entertainments bands have to pay taxation. No less than four bands have communicated with me recently on this subject. One of them owes £300 for its instruments. It seems a hardship that the members of these organizations, which are educational, and which do so much gratuitous work of a public and benevolent character, should be required to pay from their own pockets taxation on their concert receipts.

Mr. MAKIN (Hindmarsh) [2.47].—I was very much impressed with the speech made by the honorable member for Cowper (Dr. Earle Page) last evening; and I recognise the seriousness of the statement he made concerning the recent purchase by the Commonwealth of saw-mills and timber lands in Queensland. Although I am a firm believer in State enterprise, which I consider to be more in the public interest than private enterprise, yet every care should be exercised in connexion with any transaction for the conversion of a private concern into a public utility. The interests of the taxpayers should be thoroughly conserved. If the statements made by the honorable member for Cowper can be substantiated by evidence, he has made out a serious case against the Government, and it is their duty to justify this purchase. Although I believe in public enterprises, I shall not countenance the subordination of the public interest to private interests, and the involving of the public in a liability for a purchase that is without merit. It is rather amusing to note that the honorable member for Wide Bay (Mr. Corser) should be to-day the champion of the action of the Government in taking over these timber enterprises. I wonder what his attitude would be if the same policy were applied to the sugar industry.

Mr. CORSER.—The honorable member ought to be satisfied when the people are paying about one-sixth of the price paid by the people in Great Britain for sugar.

Mr. MAKIN.—I hope the House will be afforded an opportunity in the near future of testing this purchase. The statement that a certain document is

missing from the file is serious, and should not be allowed to pass without receiving the earnest attention of the House. We desire to know where that document has gone, and what it contains. I hope to have a further opportunity at an early date to express my views upon this deal, and that the House may be able to ascertain whether the purchase is *bonâ fide* and justifiable.

I am thoroughly in accord with the remarks made yesterday by the Leader of the Opposition (Mr. Tudor) in regard to the unfortunate soldiers who have suffered double amputations and are victims of tubercular disease. He disclosed a scandalous state of affairs. When I received a communication from the Association for Limbless and Maimed Soldiers I was shocked to learn that such conditions could prevail in a country in which we profess to take such a keen interest in the welfare of our soldiers. The circumstances disclosed should not be allowed to continue a moment longer than is avoidable. I think also that greater consideration should be given to maimed soldiers in connexion with the payments for homes. Every opportunity should be afforded to not only soldiers, but all citizens, to become possessed of a house that they can call their own. Having regard to the immigration policy enunciated by the Prime Minister this morning, more rapid progress should be made in providing homes for the people, because, if more population is brought to the country, the housing problem which now confronts the people will be accentuated. In the district I have the honour to represent, some people are living in houses that should not be tolerated in a country like Australia, and many of the tenants are men who saw active service abroad. I am hopeful that in the near future the objectionable form of housing with which we are familiar will be removed.

Mr. BAMFORD.—Prohibition will remedy that evil.

Mr. MAKIN.—Whilst there may be some warrant for the honorable member's suggestion, the evil to which he refers is not the only one which has to be taken into consideration in connexion with the housing problem. The economic conditions of life are preventing our people

from establishing themselves in their own homes. We do not want them to be subjected to the gross exactions of greedy landlords.

Mr. RODGERS.—A very effective week-end address by the honorable member in his own State would help matters considerably.

Mr. MAKIN.—I do my part in that connexion, and I always endeavour to give good advice to my fellow-citizens. I trust that I shall have established a good record before my term in this Parliament has expired. In the erection of War Service Homes, sufficient progress is not being made. Although the Department has been established for a period of eighteen months, only 239 homes have been completed throughout the length and breadth of Australia.

Mr. RODGERS.—Read on.

Mr. MAKIN.—In addition, there are 856 homes in course of construction. But that is a mere nothing compared with the number of homes that require to be erected. The Government should set about this matter in a business-like manner. They should bend the whole of their energies to expediting the erection of these homes, so that we may abolish the slum life that has made its appearance in our midst, and thus raise the social standard of our people. It is incumbent upon us to see that those who fought overseas are decently housed. The honorable member for Cowper (Dr. Earle Page) has made out a case which the Government must answer. Only last evening, reference was made to a number of youths who saw active service abroad, and who, because they were under age when they enlisted, are being deprived of the advantages that will be conferred by our War Service Homes legislation. I have submitted a similar case to the Department. It is that of a young lad who enlisted when he was only sixteen years of age, and who is to-day being deprived of his gratuity and of all the other provisions relating to the repatriation of our soldiers. I hope that in this matter justice will be done to those to whom justice is due.

Mr. BURCHELL (Fremantle) [3.0].—I congratulate the Minister upon having included in this Bill provision for mariners and those persons who were

members of the Australian mercantile marine. Honorable members who know anything of the genesis of the measure know that during the last session of Parliament the inclusion of members of the mercantile marine was fought for very strenuously. Now that they have been included, I desire to convey to the Minister our sincere appreciation of the action of the Government. I do not intend to speak at length upon this Bill, but there are one or two phases of it to which I desire to direct attention. In the first place, I find that the War Service Homes Commissioner is interposing a bar against vocational trainees participating in the benefits which have been conferred by the principal Act. To discriminate to the detriment of these men simply because, for the time being, they are not in as good a financial position as are other applicants for War Service Homes is entirely unjust.

Mr. RYAN.—What reason does he give for his action?

Mr. BURCHELL.—The only reason is that, in his opinion, these men are not in a position to bear the burden of paying the instalments that would be required of them under the Act, because they are only in receipt of a sustenance allowance from another section of the Repatriation Department instead of being in receipt of full wages. There should not exist any bar against vocational trainees. As these men are being trained for a trade in which they will ultimately be able to earn full wages, the Commissioner ought not to penalize them at the present stage. I sincerely hope that the Minister will be able to devise some means for the removal of this disability. The representatives of the Young Men's Christian Association are included within the provisions of the principal Act.

Mr. GREGORY.—Why?

Mr. BURCHELL.—From a business stand-point, I do not know that anybody can object to that. But it is unjust to deprive men who have served in the actual fighting areas, and who have risked their lives in a way that the other associates of the Army have not, of the benefits of this legislation.

Mr. RODGERS.—What men who served in the danger zone have been excluded from participating in this legislation?

Mr. BURCHELL.—I have already said that the vocational trainees are being penalized by the War Service Homes Commissioner.

Mr. RODGERS.—I have taken a note of the honorable member's objection, and will see what can be done in the matter. But this is a business branch of the Repatriation Department, and the War Service Homes Commissioner is charged with the duty of seeing that all applicants for War Service Homes have a reasonable prospect of paying the instalments required under the scheme.

Mr. BURCHELL.—That is a sound, common-sense proposition. But when we are training a man to earn a full tradesman's wage within three, six, or nine months from date, it cannot be urged that he has not a reasonable prospect of being able to keep up his payments. At the present time, the War Service Homes Commissioner is declining the applications of vocational trainees. However, as the Minister has promised to look into the matter, I will say no more about it.

Mr. BAYLEY.—Has not the honorable member for Indi an amendment dealing with that matter?

Mr. BURCHELL.—I have not seen it.

Mr. RODGERS.—The honorable member does not wish to convey the impression that men who served in the danger zone are being excluded from participation in the benefits conferred by this legislation?

Mr. BURCHELL.—No.

Mr. RODGERS.—Take chaplains, for instance.

Mr. BURCHELL.—There are many chaplains who rendered remarkably good service at the Front, and I raise no objection to their inclusion in this Bill. I know something of the work which chaplains as members of the Australian Imperial Force performed. They were duly attested, but Young Men's Christian Association officials were not attested until towards the close of the campaign, when some of their number were granted permission, and were attested in England.

Another phase of this matter to which I desire to refer has relation to cases in which the Commissioner's estimate of the cost of building a home is exceeded. Where a returned soldier contracts with the War Service Homes Commissioner to

build him a house for, say, £750, and that cost, owing to extras and other circumstances over which neither the Commissioner nor the soldier has control, is exceeded by £30, £40, or £50, the practice of the Department at present is not to allow the man to take possession until the additional amount has been paid in cash. I would urge the Minister to regard this as an unsound principle. The Department has the additional security for the money so expended, and the man should not be penalized. Instead of being called upon to pay this additional cost in cash before being allowed to enter into occupation, he should be given possession on completion of the building, and allowed to pay the additional cost by instalments spread over a number of years. The Minister may say that a returned soldier who has a war gratuity or deferred pay should be able to comply with the present requirement. Taking it by and large, however, most of the men, when they returned to Australia, had to refurnish their homes, and those who have had to do that in recent times will know full well what it involves. I have had a bitter experience during the past few months of the cost of refurnishing, and I am convinced that returned soldiers could not reasonably be expected to have in hand the cash necessary to meet these additional costs. That being so, we ought not to shut the door in their faces. We might very well follow the practice adopted in connexion with the Western Australian workers' homes scheme, which was established some eight years ago, and allow the returned soldier to take possession of his home as soon as it is completed, and to pay by instalments spread over a period the amount by which the estimated cost has been exceeded.

Mr. RODGERS.—What does the honorable member suggest should be done where the maximum amount has been advanced?

Mr. BURCHELL.—If the Departmental estimate has been legitimately exceeded, then the fault does not rest with the returned soldier, and his case should be dealt with as I have suggested.

The only other matter to which I desire to refer is the position of war workers under this Bill. The term "war worker" is all-embracing. We shall find that those employed in connexion with the War Chest Fund, as well as Salvation Army officers who accompanied the Forces

overseas, and, indeed, every form of war worker in Australia is covered by the term. The Bill does not even provide that only war workers who went overseas shall come within its scope, and thus all auxiliary services, both here and abroad, will, in my opinion, be included. If in the administration of the principal Act and this amending Bill preference be given to that type as against the genuine attested member of the Australian Imperial Force, untold trouble will be laid up for the Government.

Mr. GREGORY.—There were munition workers actually engaged in making shells here.

Mr. BURCHELL.—Yes. I desire that preference shall be given to attested members of the Australian Imperial Force, and, within that category, to married men. I have no objection to these other classes coming within the scope of the Act. As one of the vice-presidents for Australia of the Returned Sailors and Soldiers Imperial League, I can say that the League, as an organization, has no objection to their coming in, but it asks that if they are brought within the scope of the Act preference in administration shall be given to the genuine attested members of the Australian Imperial Force.

Mr. GIBSON.—What treatment would the honorable member extend to a man who, being unable to enlist here, went to the Old Country and enlisted there? That man ought to come within the scope of the principal Act.

Mr. RODGERS.—He does come within it.

Mr. BURCHELL.—That is so.

Mr. WATKINS.—Why should Young Men's Christian Association officials be sing'ed out for preference over other war workers?

Mr. BURCHELL.—I heard the honorable member's reference to that matter this morning. I have come to the conclusion that the definition of "war worker" covers all who took any part in the auxiliary services of the Army, and that whether Young Men's Christian Association officials are or are not specifically brought within the terms of this measure they will be covered by that definition.

Mr. WATKINS.—If this is so, why are they specially mentioned in the Bill?

Mr. BURCHELL.—I hold no brief for the drafting of the Bill.

Mr. WATKINS.—If the honorable member's contention be correct, why should the Young Men's Christian Association officials have been selected for specific mention in the Bill?

Mr. BURCHELL.—I do not know how any one could so construe the definition of "war workers," as to exclude from it Salvation Army and Young Men's Christian Association officials, as well as all other auxiliary services.

Mr. GREGORY.—Red Cross workers might come within the definition.

Mr. BURCHELL.—Exactly. I have no desire to detain the House. I am glad that the Minister is going to consider the views I have put before him in regard to vocational trainees, the giving of preference over all others to genuine attested members of the Australian Imperial Force, and the payment of any amount in excess of the estimated cost of a War Service Home by instalments spread over a number of years. These principles of preference might well be embodied in the Bill. It ought certainly to be made perfectly clear that first preference shall be given to attested members of the Australian Imperial Force.

Mr. BELL (Darwin) [3.15].—I fully appreciate the necessity for the introduction of this Bill in view of the experience which the Minister for Repatriation (Senator E. D. Millen) must have gained of difficulties arising from the operation of the principal Act. I approve of most of the amendments of the original measure embodied in this Bill. Much has been said by speakers who have preceded me concerning proposals made to extend the scope of the original measure so as to include war workers and members of the Young Men's Christian Association amongst those entitled to the benefits of the Act. I wish to say at once that I object to the scope of the Act being extended in that way, and I am disposed to vote against the provisions of this Bill which are intended to have that effect.

Mr. MAKIN.—Why? Are they not worthy of consideration?

Mr. BELL.—My reason for objecting to the extension of the scope of the Act as proposed is very similar to that already given by previous speakers. I believe it will cause a great deal of discontent amongst members of the Salvation

Army and war workers of various kinds other than those specially mentioned in this Bill, who will believe that they have just as much right to be included amongst those entitled to the benefits of repatriation generally, and to the War Service Homes Act, as are those who are especially mentioned.

Mr. MAKIN.—How would the Army have got on without munitions?

Mr. BELL.—I am saying nothing to depreciate the work done by munition workers, members of the Young Men's Christian Association, or any other persons who can claim to have done war work; but I do say that the soldier should be given first consideration, and it has been quite obvious up to the present that we cannot provide the number of houses that are required for the soldiers. Until such time as we come within measurable distance of being able to meet the requirements of the soldiers, I will not agree to the extension to war workers, members of the Young Men's Christian Association, or the Salvation Army, and similar bodies of the benefits of the War Service Homes Act. The soldier must be our first consideration, and in the circumstances I object to specialize particular war workers in the way proposed in this Bill, and so I feel myself obliged to oppose that proposal.

Mr. RODGERS.—Before the honorable member says definitely that he will vote against that provision of the Bill, will he not make the reservation that he will wait to hear the Ministerial statement as to the persons already included amongst those entitled to the benefits of the Act?

Mr. BELL.—If for no other reason than that of courtesy to the Honorary Minister (Mr. Rodgers), I shall be prepared to do that. At the present time I am of opinion that we cannot include those specially mentioned in the Bill and exclude other persons who, as war workers, may claim an equal right to consideration.

A good deal has been said about the purchase of saw-mills and timber areas in Queensland. I do not wish to say very much on that matter, but I might mention, in passing, that I take quite a different view of it from that expressed by certain honorable members who spoke

on the subject on the motion for the adjournment of the House on Friday last, and also from that expressed by the honorable member for Cowper (Dr. Earle Page), who dealt with the matter last evening. As to the merits of the deal, I will say nothing, because I know nothing about it. I think that statement applies to the average member of the House, if not to practically every member of it. It has been claimed that the War Service Homes Commissioner should not have entered into a deal of this sort without the matter having first been brought before Parliament for its sanction, but it has been quite evident to me that this Parliament definitely gave the War Service Homes Commissioner and the Minister for Repatriation that power when it passed the original War Service Homes Bill. If we cannot depend on the War Service Homes Commissioner and the experts to whom he can look for advice to say whether it is good or bad business to purchase timber for War Service Homes in the way he has done, then, in my view, this House is not in a position to express a valuable opinion on such a matter. It is about the worst possible body that could be suggested to decide whether such a proposal is a good or bad deal.

The chief objection which has been raised to the purchase is that the timber, in the long run, will not be as cheap, and consequently the cost of the homes to the soldiers will be greater than it would be if timber were purchased from private companies as required. Time only can tell whether this deal is a good or a bad one. On the subject of parliamentary control of expenditure and the contention that such proposals should receive the sanction of Parliament before we are committed to expenditure to give effect to them, I take the view that this Parliament has the right to decide, first of all, whether homes shall be built for returned soldiers, and then whether the carrying out of the work shall be left to a Commissioner, or body of Commissioners, or to the Minister for Repatriation and his Department. We certainly did give the War Service Homes Commissioner under the original Act the power to spend millions of money in building war service homes, and it is,

therefore, absurd for honorable members to say now that we did not give him the power to purchase timber to the value of £500,000.

Mr. BAMFORD.—He has purchased shiploads of timber without any protest from members of this House.

Mr. BELL.—In support of my contention that Parliament is not a fit body to decide whether such a deal is a good one or not, I may mention that the honorable member for Franklin (Mr. McWilliams) and I, though we are representatives from the same State, hold widely different views as to the success or otherwise of such a deal. On Friday morning last, the honorable member for Franklin, in referring to this matter, said that he knew of no case where a large company had been successful in the saw-milling business, and that only men in business in a small way have been successful in carrying on that industry. My experience has been exactly the reverse. I have known companies carrying on the saw-milling business in a large way to be very successful, and I have known of a great many failures amongst small companies and men carrying on the business in a small way. Many men have failed very quickly for the simple reason that they have not commanded sufficient capital to hold timber long enough, or to keep stocks necessary to enable the timber to be properly seasoned. My experience has been that in the timber industry men strong financially have a better chance of success than can be expected by two or three individuals who have little or no capital at their backs. I mention this difference of opinion between the honorable member for Franklin and myself in support of my contention that Parliament is, perhaps, the last body that should be appealed to to decide such a question. Though the State we come from is not a very large one, and probably similar conditions apply from one end of it to the other, yet we differ so widely on this subject that we might debate it for a week. Another matter which has been alluded to, and upon which I feel very strongly, has to do with the position of limbless and blinded soldiers. The honorable member for Yarra (Mr. Tudor) last night quoted from a circular issued by

the association of these incapacitated men, in New South Wales, and I also have received a copy. I have every sympathy with those of our soldiers who lost, perhaps, two limbs and, in some cases, three, and I sincerely hope that the Minister for Repatriation (Senator E. D. Millen) will consider whether it is not possible to assist them, to some permanent extent, along the lines suggested in their circular. I have always taken the view that those men who were incapacitated during the war are entitled to be kept in comfort for the remainder of their days; and, although it may not be possible to go so far as is proposed in the circular—for example, to give to those who have lost the sight of one eye, up to one-third or one-fourth the value of their house—still, something very much more favorable than so far conceded should be given them. In the case of those who have lost an eye there are pensions to assist them in earning their living; for, despite their defect, they should be able, in most cases, to do almost as well as whole men. But, as for men who have lost their arms, or their legs, it cannot be expected that they will be able to do much for themselves; they cannot hope to secure much comfort for the future, even though they should be able, by their own activities, to add something to their pensions. The Government should consider whether they cannot do something more for those maimed and limbless soldiers in the way of providing them with homes for life—although not necessarily by giving them homes straight out in which they could traffic.

Mr. RODGERS.—I assured the Leader of the Opposition that the specific cases to which he referred would be very carefully considered, and I am able to say that I think it possible that a way out will be found.

Mr. BELL.—It has been said, from time to time, that Australia has done more for her soldiers than any other country. That may be right; probably it is. But in the treatment of our crippled men we should not be satisfied to make comparison with the treatment accorded in other countries, but should take, as our standard of comparison, what they would be able to do for themselves if fully

equipped, physically, as are those men walking our streets to-day who did not go to the war.

One other subject which I desire to touch upon has to do with those members of the Australian Imperial Force who enlisted and served while under age, and in respect of whom it has been stated that the benefits of our post-war legislation are not applicable in the same way as in regard to older men who served. Some honorable members have actually said that those youths have been refused the war gratuity. I was astonished to hear that, and still more surprised that the Minister should not have refuted such statements immediately.

Mr. RODGERS.—There is nothing in either the original Act or this Bill to disentitle those youths.

Mr. BELL.—Then, if there has been any revision of our laws by departmental officials, so that our fighting youths have been in any way precluded from securing the full benefits of the repatriation legislation, I am sure this House will not countenance such a state of affairs. I, with other honorable members, would certainly revolt against anything of the kind. To say that young fellows who enlisted and went away under the age of eighteen, and did men's work at the Front, should suffer disabilities compared with their older comrades is utterly absurd.

Mr. TUDOR.—There have been specific cases of the kind.

Mr. RODGERS.—I can only emphasize that there is nothing in either the original Statute or in this amending Bill to disentitle any member of the Australian Imperial Force from securing the full benefits of our legislation. Each case, of course, must be investigated on its merits, and it must be made clear that the applicant is eligible under the tests set out in the Act. It is impossible for me to answer all the points raised by honorable members as they crop up, but I will undertake to do so before the House goes into Committee.

Mr. BELL.—I am pleased with that assurance, but I spoke as I did for the reason that the Minister did not proceed forthwith to deny the assertions. I agree that there is nothing in our legislation, either past or projected, which would ex-

clude these youths from the benefits of repatriation—whatever reasons or excuses may be advanced by officials; and, if by chance there have been such cases as honorable members have alluded to, the wrong must be righted immediately.

I have just one note of criticism to offer regarding the building of War Service Homes, and I regret to have to do so, because the Minister for Repatriation (Senator E. D. Millen) and the Commissioner have done excellent work. That has been demonstrated in the houses which have been built in the suburbs of Melbourne and elsewhere. On the whole, a very good type of house has been erected—a type suited to the particular locality, and, no doubt, to the requirements of the individual occupants. But I have to complain that similar progress has not been made in country towns and in certain parts of other States. From my own electorate, applications had been forwarded before my return to Australia twelve months ago, but nothing has yet been done. When General Birdwood was in Tasmania, he laid the foundation stone of one house, but nothing further has been done. Many of those applicants who have been waiting have been so disgusted with the delay that they have gone elsewhere, to private sources, in order to secure homes for themselves. Absolutely no progress has been made in the smaller towns in my electorate, although applications have been in for a very long time. In reply to an inquiry which I sent to the secretary of the Returned Soldiers League at Wynyard, as to whether any progress had been made, I received a letter stating that absolutely nothing had been done. The writer added that the building of War Service Homes in his district was a farce or a tragedy, according to the point of view from which one looked at it. The country districts should be given some of the benefits arising out of the building of these homes, and the soldier who lives there should at least have a share. In many cases at present he has nothing. Numerous homes are being built in the cities, where there are far too many houses already. If houses were built outside, where there is ample work for young men to do, it would be very much better. Houses are being built every day and every week to the number of hundreds in the year in the cities, but the soldier who lives in the country district has not received the same benefits.

I trust the Minister will take some notice of my protest on this matter, because it is the one point in regard to the War Service Homes scheme with which I am distinctly dissatisfied.

Sir GRANVILLE RYRIE (North Sydney—Assistant Minister for Defence) [3.37].—I wish to put honorable members on both sides of the House right regarding one point which has been stressed, particularly by the honorable member for Hindmarsh (Mr. Makin) and the honorable member for Darwin (Mr. Bell). I refer to the statement that boys, under age, who went overseas are deprived of the privileges of returned soldiers. I assure honorable members that no boy, no matter how young he was, who went into the firing line, and did his bit there, will be penalized for so doing.

Mr. GREGORY.—Is that in regard to war gratuities as well?

Sir GRANVILLE RYRIE.—That is in regard to everything. The boy who went overseas, whether he was sixteen, seventeen, or eighteen, who went into the firing line, and did his bit with the others, will be recognised, and get the full rights of a returned soldier. I am, however, definitely assured by the Minister for Defence (Senator Pearce), and by my officers in the Department, that it was conclusively shown that on several occasions—and it is presumed that there were many more instances—there was collusion between the parents and certain boys under age to enable them to go overseas. Of course, all these boys made false attestations, but that will be forgiven to those who went into the firing line. Still there were others who, with the connivance of their parents, designedly made false attestations, knowing they were under age, and got over to the other side, and after they had had a good trip, which cost them nothing, their parents put in a protest, and claimed that the boys should be sent back.

Mr. TUDOR.—I do not think any honorable member here is appealing for them.

Mr. MAKIN.—The case I cited is that of a young man who was away for eighteen months.

Sir GRANVILLE RYRIE.—If that young man was in the firing line he will be treated the same as other returned soldiers; but there were a great many who never went further than the base, so that

the Minister has been forced to make a distinction by saying that those who actually went into the firing line, despite their age, will be accorded the full rights of returned soldiers, but that those who did not get into the firing line, although there may be some hard cases among them, will not get any of the benefits.

Debate (on motion by Mr. MACKAY) adjourned.

MOBILIZATION STORES, MIDLAND JUNCTION.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [3.40].—I move—

That the Parliamentary Standing Committee on Public Works having furnished its report, it is expedient to carry out the following works:—Mobilization and Vehicle Stores at Midland Junction, Western Australia, with necessary railway connexion, water supply, &c. Some time ago I moved that these works be referred to the Public Works Committee for investigation and report. I said at the time that they were urgent. The stores are to be erected at Midland Junction, about 10 miles from Perth. Corresponding buildings have already been put up at Liverpool (New South Wales), and we have authorized the construction of similar works at Seymour (Victoria). These are now progressing. The Public Works Committee made the following recommendations:—

1. That the erection of the buildings proposed, with the exception of the caretaker's cottage, be proceeded with.

2. That an additional area of about 7 acres to the north of the site be acquired, as set out in paragraph 17 of the report, and that the cottage thereon be utilized as caretaker's quarters.

3. That the Ordnance Store be lined throughout, and that a space of approximately 16 feet by 25 feet therein be partitioned off for the storage of waterproof sheets, &c.

4. That where any space occurs between the ground and the floor level of the Ordnance or Mobilization Stores, action be taken to enclose same with pig netting or jarrah battens.

5. That the height of the walls of the Vehicle Store be reduced to 10 feet.

6. That the floor of the Vehicle Store be formed of gravel.

7. That the Ammunition Store be located to the south of the Mobilization Store; that the railway platform to that building be widened to 9 ft. 3 in., and that the floor be dropped 18 inches.

8. That fire sprinklers be installed in the Ordnance, Mobilization, and Ammunition Stores.

9. That no browning, drying, or forge work for armourers be permitted in the Ordnance Store, and that all such work be carried out in a general workshop.

10. That accommodation for the storage of oil and paint and for petrol be provided apart from the Ordnance Store.

11. That a luncheon room be provided for the staff, and a luncheon and changing room for the men employed in the stores.

12. That the whole of the ordnance staff—clerical, armourers, artisans, &c.—be concentrated at Midland Junction.

The works will be constructed on the lines recommended by the Committee, subject to the reconsideration of the Committee's recommendations regarding flooring and other minor details. The necessary action has been taken to acquire the additional land which the Committee mentions. The total cost of this service is estimated at £36,570. All the formalities of the Act have been complied with. The work is urgent, because many of the buildings in which some of the stores are at present located have to be surrendered at once.

Question resolved in the affirmative.

ADJOURNMENT.

SOUTH AUSTRALIAN FLOUR TRADE.

Motion (by Mr. GROOM) proposed—That the House do now adjourn.

Mr. MAKIN (Hindmarsh) [3.44].—Yesterday I raised the question of the serious circumstances prevailing in the milling trade in South Australia, particularly at Port Adelaide. During the debate the honorable member for Swan (Mr. Prowse) said that one of the causes of the present lack of supplies of wheat for millers was that they expected to secure their wheat for gristing for the export trade at the price of 7s. 8d. per bushel fixed for grain required for gristing for home consumption. That is quite incorrect. The millers of South Australia do not expect to purchase their wheat for gristing for the export trade at 7s. 8d. per bushel; but are prepared to pay the parity price. They have made an arrangement with the Wheat Board by which the price of the grain they require for their export trade may be fixed from month to month in accordance with the parity price.

Mr. RODGERS.—There is a fixed gristing rate.

Question resolved in the affirmative.

House adjourned at 3.46 p.m.

House of Representatives.

Tuesday, 21 September, 1920.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 3 p.m., and read prayers.

WHEAT.

GUARANTEE FOR 1920-21 HARVEST.

Mr. BLAKELEY.—In the absence of the Prime Minister, can the Honorary Minister (Mr. Rodgers) give any information to the House as to the cash payment by the Commonwealth over and above that which has already been decided upon as a payment by the New South Wales Government in respect of wheat?

Mr. RODGERS.—The Prime Minister has summoned a Conference of representatives of the wheat States of the Commonwealth, at which all matters affecting the coming harvest will be dealt with. At present the Commonwealth and the wheat States are committed to a guarantee of 5s. per bushel at the railway station. Having regard to the substantial nature of that guarantee, and to the world's market, I do not think it advisable for the Commonwealth to enter into any further commitments.

AUSTRALIAN FLOUR.

COMPLAINTS FROM SOUTH AFRICA.

Mr. HIGGS.—Does the Honorary Minister know anything of complaints by South African merchants and bakers regarding the quality of Australian A grade flour, and of the alleged unreliability of the certificates of the Commonwealth Wheat Board? Will the honorable gentleman make inquiries with a view to the protection of Australia's good name?

Mr. RODGERS.—Beyond comments in the newspapers with regard to second grade Australian flour, I know nothing of the matter. I have seen no representations from the South African Government. The world knows the value of Australian wheat for special purposes, and no comment of the character referred to by the honorable member is likely to depreciate its good name. With regard to the honorable member's request, I shall be very pleased to make inquiries as to

any Australian flour on the markets of the world not being up to standard, and to inform him of the result.

ROYAL AGRICULTURAL SOCIETY'S SHOW.

Mr. FENTON.—In the absence of the Prime Minister, I desire to ask the Treasurer whether the Cabinet has given any further consideration to my suggestion that the sittings of the House should be suspended, if for only a short time, to enable honorable members to visit the Royal Agricultural Society's Show at Flegmington?

Sir JOSEPH COOK.—On what day does the honorable member suggest that there should be a suspension of the sittings?

Mr. FENTON.—My suggestion is that we should not meet as usual on Thursday morning. That would give honorable members an opportunity to visit the grounds.

Sir JOSEPH COOK.—I may tell my honorable friend that I propose to move that the House at its rising adjourn until 7.30 p.m. to-morrow.

Mr. FENTON.—That will do.

Sir JOSEPH COOK.—This special adjournment is designed to enable honorable members to attend the garden party to be held to-morrow, in order that we may take leave of His Excellency the Governor-General and Lady Helen Munro Ferguson. I also intend to move that in future we shall meet on Thursdays at 2.30 p.m. instead of at 11 a.m.

Mr. TUDOR.—Commencing on Thursday next?

Sir JOSEPH COOK.—Yes. If my motion be carried we shall not sit on Thursday morning.

THURSDAY SITTINGS.

Hour of Meeting.

(Sir JOSEPH COOK.—(By leave.)—I move—

That, unless otherwise ordered, this House shall meet on each Thursday at 2.30 o'clock p.m.

We have not found the Thursday morning sittings a success. I doubt very much whether they lead to the despatch of business. They do lead to—

Mr. TUDOR. — Irritability and ill-temper.

Sir JOSEPH COOK.—The honorable member insists upon completing my speech.

Question resolved in the affirmative.

SPECIAL ADJOURNMENT.

Motion (by Sir JOSEPH COOK) (by leave) proposed and agreed to—

That the House, at its rising, adjourn until 7.30 p.m. to-morrow.

BASIC WAGE COMMISSION.

Mr. BLAKELEY.—I ask the Treasurer, in the absence of the Prime Minister, whether the Government have yet received the Commonwealth Basic Wage Commission's report; and, if not, whether he can state the probable date on which it will be received?

Sir JOSEPH COOK.—I am not aware that any report of the kind has yet been received, and I warn my honorable friend as to making suggestions for increases in the cost of running the country.

WAR SERVICE HOMES.

BUILDING OPERATIONS IN SOUTH AUSTRALIA.

Mr. BLUNDELL.—I desire to ask the Minister representing the Minister for Repatriation whether the Government have arrived at any decision in regard to carrying on the work of constructing War Service Homes in South Australia; and, if so, when the work will actually be started?

Mr. RODGERS.—In view of the fact that a conference has been held recently between the South Australian authorities, who have been building in the past, and the Department, I would ask the honorable member to give notice of his question, so that I may give him the exact details of the agreement arrived at.

HENDERSON NAVAL BASE.

Mr. BURCHELL asked the Minister for Works and Railways, *upon notice*—

Of the £187,000 provided for naval bases, &c., shown on page 370 of the Estimates for 1920-21, how much is estimated to be spent on the Henderson Naval Base?

Mr. LAIRD SMITH (for Mr. GROOM).—About £30,000.

RIFLE CLUBS.

GRANTS—OSBORNE RIFLE RANGE.

Mr. BURCHELL asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether there is any provision on the Estimates for 1920-21 for grants to rifle clubs?

2. If so, will he quote the amount and show the allocation to each State separately?

Sir GRANVILLE RYRIE. — The answers to the honorable member's questions are as follow:—

1. Yes.

2. A sum of £50,000 is shown under Division No. 79 for "Expenses in connexion with Rifle Clubs and Associations (including pay of administrative and executive personnel)."

The allocation of this grant has not yet been made.

Mr. BURCHELL asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether there is any provision on the Estimates for 1920-21 for the extension to 1,000 yards of the rifle range at Osborne, Western Australia?

2. If so, will he quote the amount and say which item in the Estimates refers to this matter?

Sir GRANVILLE RYRIE.—No provision has been made on this year's Estimates for this purpose.

ANGLO-PERSIAN OIL AGREEMENT.

SITE FOR REFINERY WORKS.

Mr. BURCHELL asked the Prime Minister, *upon notice*—

1. Whether a site has yet been selected for the erection of the refinery works included in the Anglo-Persian Oil Agreement?

2. If a site has not yet been agreed upon, will he consider the natural advantages of a site in the vicinity of Fremantle, viz., at Rockingham, on the southern end of Cockburn Sound?

Sir JOSEPH COOK (for Mr. HUGHES).—The answers to the honorable member's questions are as follow:—

1. No.

2. This is a matter for consideration by the directors of the Commonwealth Oil Refineries Limited, who will, of course, select the site which they and their expert advisers consider most suitable for the purpose. However, I shall bring the honorable member's suggestion under the notice of the directors of the company.

Mr. BAYLEY asked the Prime Minister, *upon notice*—

In view of the fact that oil has already been recovered from the gas flow at Roma, Queensland, and that indications are such as to give great encouragement, will the Government take into consideration the advisability of erecting the refinery works under the Anglo-Persian Oil Agreement in Southern Queensland?

Sir JOSEPH COOK (for Mr. HUGHES).—This is a matter for consideration by the directors of the Commonwealth Oil Refineries Limited, who will, of course, select the site which they and their expert advisers consider most suitable for the purpose. However, I shall bring the honorable member's suggestion under the notice of the directors of the company.

WAR SERVICE HOMES.

Dr. EARLE PAGE asked the Minister representing the Minister for Repatriation, *upon notice*—

1. What is the number of war service homes erected or being erected in Sydney by the War Service Homes Commissioner?

2. What is the total number for the State of New South Wales?

Mr. RODGERS.—The Commissioner advises as follows:—

The Commonwealth Bank is not at present in a position to furnish particulars regarding its building activities in the metropolitan area as distinct from rural districts. The figures in regard to New South Wales are:—

Houses completed—		
Commission	70	
Bank	328	398
Houses in course of construction—		
Commission	699	
Bank	341	1,040
Contracts let but work not started—		
Commission	64	
Bank	30	94
Tenders under consideration—		
Commission	13	
Bank	—	13
Total	1,545	
Particulars regarding the Commission's activities in the metropolitan area:—		
Houses completed	52	
Houses in course of construction ..	503	
Contracts let but work not started ..	13	
Tenders under consideration	13	
Total	581	

FEDERAL CAPITAL.

FURNISHINGS FOR PARLIAMENT HOUSE.

Mr. AUSTIN CHAPMAN asked the Minister for Works and Railways, *upon notice*—

In view of the decision of the Government regarding the early occupation of Canberra as the Seat of Government, will he enter into negotiations with the Victorian State Government for the purchase of the furniture and fittings now used by them in the temporary State Parliament House at the Exhibition Building, Melbourne?

Mr. LAIRD SMITH (for Mr. GROOM).—The matter will be given consideration.

PAPERS.

The following papers were presented:—

Defence Act—Regulations Amended—Statutory Rules 1920, No. 152.

War Service Homes Act—Land acquired under, at—

Hamilton, New South Wales (2).
Islington, New South Wales.
Kogarah, New South Wales.
Parramatta, New South Wales.
Rockdale, New South Wales.
Sans Souci, New South Wales.
Weston, New South Wales.

WAR SERVICE HOMES BILL.

SECOND READING.

Debate resumed from 17th September (*vide* page 4708), on motion by Mr. POYN-TON—

That this Bill be now read a second time.

Mr. MACKAY (Lilley) [3.13].—I welcome this amendment of the War Service Homes Act, because it is intended to make useful legislation still more generous. Senator E. D. Millen may well be congratulated on the results of his administration of the Repatriation Department, and I feel that this branch of its operations is going to yield very excellent results indeed. The War Service Homes Act is serving a double purpose. Whilst it makes provision for suitable homes for returned soldiers and soldiers' dependants, it is also very materially assisting in solving the housing problem in many of the large centres of the Commonwealth.

I am very pleased that the Bill now before us proposes to increase the advance made available to returned soldiers for this purpose from £700 to £800 in all towns and cities. But I desire to bring

under the notice of the Minister for Repatriation the circumstances of the soldier land settlers, for the all sufficient reason that men who settle on the lands in the various States are deserving of treatment at least as generous as that accorded to their comrades who settle in towns and cities. The point I wish to make is that soldier land settlers have to clear and plant their land, to purchase implements, vehicles, and live stock, and provide a home for a less amount than is available to returned soldiers who settle in towns and cities. On the 25th August last I asked the following question:—

Whether it is proposed to increase the loan from the Commonwealth to the States for soldiers' land settlements from £625 to £1,000?

If so, as the amount of £625 is generally regarded as being insufficient, will the Minister endeavour to make a portion of the additional sum also available to the soldier settler?

The reply which I received to that question from Mr. Poynton, as representing the Minister for Repatriation, was as follows:—

The agreement provides that the Commonwealth shall advance to the States the sum of £625 per settler (on the average) as working capital, and that a further sum equal to £375 per settler will be made available in connexion with soldier settlements for works, &c., approved by the Commonwealth. It is not proposed to further increase the loan of £625 per settler now made available, which amount was increased from £500 early in 1919.

I understand that this arrangement was decided upon at the Premiers' Conference quite recently held in Melbourne. It is true that land in Queensland is much cheaper than in any of the other States of the Commonwealth, but it is equally true that the sum of £625 is insufficient to meet all requirements of the soldier settlers. I think that honorable members will agree with me that it is better that we should settle one man under conditions which will afford him a reasonable chance of success than that we should start two men under conditions which will render their efforts liable to failure.

At Beerburum, in my electorate, the Queensland Government have settled some 400 returned soldiers who are engaged in growing pineapples. It might appear at first glance that the terms offered to these men are very reasonable. It is possible in this class of land settlement for a man to get along very well indeed on an area of from 20 to 40 acres.

Mr. Mackay.

I wish to inform honorable members as to the terms which the settlers at Beerburum are asked to fulfil with the object of showing that the War Service Homes Department must certainly come to their rescue if they are to make a success of their settlement. As I have said, the area given to these men is from 20 to 40 acres; the tenure of the land is a perpetual lease, and the annual rent charged is 1½ per cent. of the capital value of the land, which averages 20s. per acre. No rent or survey-fee is asked for during the first three years. The survey-fee then becomes payable, and the payment is spread over ten years. At the end of the first fifteen years the areas are re-assessed by the Land Court.

Queensland has immense areas of Crown lands, and in the circumstances the Government can well afford to give soldier settlers even more liberal conditions than those I have mentioned. I know the land at Beerburum, on which the returned soldiers are settled very well, and for many years it was open to any man who came along and cared to select it at 2s. 6d. per acre, payable over five years, at the end of which period the selector secured the freehold of his selection. I submit that in view of the very liberal terms at which this land was open to selection in previous years, the price which the soldier settlers are asked to pay for it is altogether too great. As the title which they are given is a perpetual lease, and there is provision for a re-assessment in fifteen years, this means that at the end of that period the man who has made most improvements on his farm will be called upon to pay a higher rental for the future than the man who has been more neglectful of his opportunities. I have discussed this matter on many occasions with the men, and cannot recall an instance in which one of them has preferred the perpetual lease system. They would rather pay more for their land and get the freehold at the end of a fixed period. It is certainly correct that a man can succeed very well at growing pineapples on a small area of 5 acres; but, in order to show that further assistance should be given to these men, through the Repatriation scheme or under the War Service Homes Act, Mr. Alston, the secretary of the

Beerburum Fruit-growers Association, has supplied me with the following particulars:—

The foregoing are the actual figures of the principal items of my own account. There are, however, other things that settlers have to have that I brought with me, or have bought myself, and I give herewith, as near as possible, the present-day cost of establishing the settler with 5 acres of pines; suckers now cost £4 per 1,000:—

	£	s.	d.
Clearing 5 acres, at £27 10s. ..	137	10	0
Ploughing twice and harrowing, at £3 acre	30	0	0
Running roots	6	0	0
Bonedust	14	0	0
Planting and drilling	16	5	0
Suckers, at £4 per 1,000—30,000	120	0	0
	323	15	0
Standard house	250	0	0
Well	13	0	0
Fencing, average	20	0	0
Horse	15	0	0
Spring cart	18	0	0
Harness	15	0	0
Cultivator	5	0	0
Plough	8	0	0
	667	15	0

When the suckers are planted at the proper time, the first crop on a pineapple plantation does not mature until about eighteen months later. Afterwards there are two crops annually, one in the summer and one in the winter. But it is from the housing point of view that I approach this question. Each house on these blocks is about 24 feet by 20 feet over all, and is built of hardwood, but, as the timber comes fresh from the mills, it shrinks rapidly. Each house contains four rooms, and there is no lining. Therefore, it will be readily seen how inexpensive these dwellings are. I hope to be able to induce the Commonwealth Government to come to the rescue of these soldier settlers, who, if they are to be successful, must be comfortably settled on their holdings. I want the Minister to take these facts into consideration, so that the Commissioner may be induced to provide better homes for these men. It is quite evident from the figures I have given that the advance of £625 is not sufficient to cover the planting of the ground and the purchase of the necessary

implements, the cost of which exceeds the advance by £42.

Mr. RODGERS.—Advances under the War Service Homes Act for the building of houses are quite distinct from any arrangement made between the Commonwealth and the States, under which advances are made for the building of homes on a broad acres proposition.

Mr. MACKAY.—I understand perfectly well that the £625 is advanced by the Commonwealth to the States, and that thereafter the States are responsible for it; but I am anxious to see an alteration brought about. We propose to allow an advance of £800 to be made to a returned soldier living in a town or a city, to enable him to secure a home for himself, but, at the same time, we expect a man settled on the land, not only to acquire the ground and buy his implements and other articles, but also to erect a house—the value of a standard cottage being £250—out of a total advance of £625. I hold that the returned soldier in a country district should be placed on the same footing as the man in a town. In Queensland, I regret to say, the State Government are not nearly as sympathetic to returned soldiers as are Governments in other States.

Mr. ATKINSON.—According to the honorable member for West Sydney (Mr. Ryan), the Queensland Government have done more than any other Government in the matter of settling returned soldiers on the land.

Mr. MACKAY.—I am aware that the Queensland Government have repeatedly claimed that they have settled more men on the land than any other State Government have succeeded in doing; but in answer to a question put by the honorable member for Flinders (Mr. Bruce) the other day, the Minister told us that 5,470 men had been settled in Victoria, 4,210 in New South Wales, 2,819 in Western Australia, 1,867 in Queensland, 1,101 in South Australia, and 1,430 in Tasmania, making a total of 16,897.

Another class of returned soldier in Queensland is the one who cannot obtain assistance to purchase or improve freehold land, and as I know that the Honorary Minister (Mr. Rodgers) is in sympathy with the man who settles on what he has many times termed the "broad acres," I

look to him to endeavour to find some solution of their difficulty. It is well known that the Queensland State Government are opposed to the freehold tenure system, and the present position is that unless a Queensland soldier is prepared to accept a perpetual lease, he is not entitled to any assistance, either from the Commonwealth or from the State. I think the Commonwealth Government ought to endeavour to get the State Government to make an exception in his case. In my electorate there are quite a number of returned men who hold freeholds—many of them have been given their land by their parents—and all they want now is some assistance to enable them to improve them, and probably build homes on them. I would like the Minister to look into their case, and see whether some assistance could not be rendered to them under the provision of the War Service Homes Act.

Mr. RODGERS.—This matter has cropped up very often, and ought to be solved at once, but if Commonwealth money is used for effecting improvements on State leaseholds, the trouble is that if there is any surrender from failure to comply with the conditions attaching to the leasehold, those improvements revert to the State.

Mr. MACKAY.—The Honorary Minister is somewhat anticipating my remarks. For the moment I am referring to freehold land, and I say that in regard to such land the Commonwealth Government have no possible excuse for withholding assistance under the War Service Homes Act.

Mr. RODGERS.—I thought that the honorable member was referring to leaseholds.

Mr. MACKAY.—No. I am referring to the fact that the Queensland State Government refuse to give assistance to the owners of freehold land to effect improvements upon it, or purchase stock. The land to which the Honorary Minister was referring is held under mining tenure, as is the case with all the land built on in such large places as Gympie, Charters Towers, Mount Morgan, and Gladstone. Under the War Service Homes Act the returned soldier can get no assistance towards having a house built on land held under mining tenure. Banks and private individuals have no hesitation in accepting this title and lending money on it. I know the Commonwealth Government has no control over this matter, but I ask them to endeavour to induce the State Government, either by agreement

or even by legislation, to extend such protection to mining tenure titles as will give the returned soldiers who hold them the benefits of the War Service Homes Act. They are of two kinds—the residence area title and the gold-fields homestead title. The first is, I admit, rather a trumpery sort of title, because it is held from year to year. The man pays 5s. a year to the Warden's Office and gets his title in that way. The homestead title is much sounder. The holder pays 5s. a year, and in thirty years gets the title indorsed as having all rents paid up. I admit that the Government must have some protection in seeing that the conditions of the Act are observed, but I am sure that the difficulty can be easily got over by some arrangement with the State Government.

Mr. RODGERS.—It is a matter that the State Government can speedily fix up by passing a short Bill.

Mr. MACKAY.—Have the Commonwealth Government done anything to induce the State Government to do so?

Mr. RODGERS.—I can promise the honorable member that if on inquiry I find it is necessary, I will make representations to the State Government.

Mr. MACKAY.—I am glad to have that assurance from the Assistant Minister.

Another question which requires attention is the position of the munition workers who went away early in 1914. Quite a number of these men, to their credit, left Australia quite early when the Empire called them, and have as good, if not a better, claim to assistance under this Act than the men who went away under agreement as late as 1916 and 1917. Those who went away in 1914 and remained till the conclusion of the war certainly made greater sacrifices than those who went just before the war ended. I am not prepared to say that the munition workers should be included at all, but if those who went under agreement with the Commonwealth are to be brought in, then those who went away much earlier should certainly be included also.

I quite approve of the Commissioner effecting his own insurance on the buildings that are being erected. He is in a very fortunate position, inasmuch as he needs no capital, and for that reason can compete on very favorable terms with private insurance companies. The Leader

of the Opposition (Mr. Tudor) quoted the State Insurance Department of Queensland as an example to this Government. Strange as it may appear, I am with the honorable member there. The one State industrial Department of Queensland which has justified itself has been the Insurance Department. Rates were very high for many years in that State, and it was time that the insurance people had a lesson. I appreciate the fact that the Commissioner is to be enabled to insure the houses on such very good terms.

I shall not say much about the timber deal. I know the conditions of Queensland, and the great scarcity of timber that exists there. The price of timber has been largely increased by the action of the State Government. When they went into power in 1915 the royalty on timber in that State was as low as 1s. 6d. per 100 super. feet. It has been increased to 15s., so that to a large extent the present State Government are responsible for the price at which timber is sold in Queensland to-day. I hope this timber deal will turn out all that the Government desire, but before it was concluded, the Department might well have referred it either to the Public Works Committee or to the Public Accounts Committee. It would not have been an expensive inquiry, nor would much delay have taken place; and honorable members would have had all the information at their disposal, and would have been in a better position to judge whether the decision to make such a large purchase was justified or not. I hope the Minister will look into the matters I have mentioned, and that as a result an improvement in the working of the Act will take place, and that many of the men who are harshly kept out of its benefits will become entitled to them.

MR. RILEY (South Sydney) [3.36].—I have pleasure in supporting the Bill to the extent to which it goes in increasing the amount that may be advanced for returned soldiers' homes. At the same time the Commissioner could have carried on even without the increase if he had used a little more common sense in the erection of houses. All through the United States and Europe the folding bed or press-bed system has been adopted. That is a device which can be folded up during the day and let down at night, so that the same room can be used for a sitting-room, or dining-room, or bedroom.

By adopting this system, at least one room in each house could be saved. I have seen the beds made in the factory, and have seen demonstrations of their usefulness in large buildings. If the Commissioner had decided to install them in the War Service Homes—I believe they cost about £25—he could have saved at least £150 on each cottage, because a room cannot be built to-day under £150. The bed is a beautiful piece of furniture on the one side, and when required it can be revolved and let down for sleeping purposes. It is very comfortable and clean. It is being used in all the large up-to-date hotels throughout Europe, and is being installed in the big flats in Sydney. I wish the Assistant Minister (Mr. Rodgers) would take the opportunity to inspect the article, and insist on the Commission utilizing to the full every economic improvement possible in house building. Another advantage is that the bed is made in Australia. Newland Brothers have bought the patent rights from America, and employ Australian workmen. If the Minister would look into it, I am sure he would recognise the great advantage that the soldier would get from the adoption of the system. I trust he will not overlook it.

MR. RODGERS.—I have carefully noted it, and called it "the combination room."

MR. RILEY.—That is a good description. I assure honorable members that the bed is a beautiful improvement in the home.

I shall say nothing about the way in which the timber areas and mills were recently purchased by the Government in Queensland, nor about the value of the mills, or the negotiations that were entered into to take them over. But I do say that it is in the interests of the soldiers and of the country that the Government should not be in the hands of any Timber Combine. I welcome the principle of the Government purchasing and controlling timber mills in order to secure their own supplies. I am familiar with some of the large timber firms in New South Wales. Certain honorable members opposite have remarked that they have known many timber millers to become insolvent. I have had no such experience, but I know of a large number who have made fortunes out of the business. What has been the result of the Government becoming huge competitors for timber? The price of material has

steadily gone up and up until, to-day, it is nearly 100 per cent. higher than it should be. We have been told that one of the reasons why timber costs so much is that there has been such a shortage of shipping. In New South Wales there is quite a fleet of small vessels trading up and down the rivers, bringing supplies of hardwood to Sydney, and, notwithstanding the fact that there has been no dislocation of this trade owing to any shortage of river shipping, the price of New South Wales hardwood has gone up step by step in general keeping with the cost of all timber supplies. The result is that our soldiers, to-day, have to pay 100 per cent. more for their timber than should be asked of them.

Mr. GREGORY.—Are there any State timber mills in New South Wales?

Mr. RILEY.—Not that I am aware of, although there are State joinery works, and the like.

Mr. GREGORY.—There are State mills in Queensland and Western Australia, but they have not had much effect in the matter of reduction of prices.

Mr. RILEY.—That may be so. In New South Wales we have State brick works, but they have not done much towards keeping down the price of bricks. The reason is that their management has been carried on in such a way as to merely keep the price a shilling or two below the Combine prices.

Mr. RODGERS.—Their managers are torn between two desires—the one to make a profit, and the other to supply bricks at a fair price to the community.

Mr. RILEY.—At any rate, they have made such profits as to have been able to pay off the cost of their machinery and their works, generally; and they do not sell their bricks much below the Combine price. The Brick Combines throughout the Commonwealth are deriving huge profits from the great demand for bricks; and if the Commonwealth Government, in view of their own house-building requirements, desired to put an end to the profiteering activities of the Combines, they should investigate and go in for a new design of concrete building. The Government could put up concrete homes at an average of about 50 per cent. less cost than in the case of brick structures. Two labourers and a carpenter are sufficient to erect the whole of the walls of a cottage built of ashes and cement.

Mr. FENTON.—That is not concrete.

Mr. RILEY.—It makes a good stout home, and by the use of this method of construction, our returned men, and the public generally, could be provided with cheap homes.

Mr. RICHARD FOSTER.—Then why do not the Government go in for the system extensively?

Mr. RILEY.—I do not know why the Commissioner has not launched out in other directions. The small number of homes so far erected is a matter of little credit to himself and the Government.

Mr. MAXWELL.—The Department has not shown much originality.

Mr. RILEY.—None at all. It has been said by way of excuse that the Commissioner has been hampered by the activities of the Combines; but any man who had the influence and the money of the Government behind him should have got over these difficulties long ago, and should have built infinitely more homes in the same time. In New South Wales, returned men have been waiting for months, but they can get no satisfaction. Any ordinary business man, with the average amount of "go" in him, could have built thousands of homes by now, because the labour is available. However, I do not want to criticise the Department, because the matter, after all, is a huge one, and there have been many obstacles to overcome. As for the activities of the new Board, which is now in control, I have nothing good to say. Originally, when one had business with the Pensions Department, there was no unnecessary delay, and the business was performed with despatch. Now that the War Service Homes and pensions activities are linked up under the *régime* of the new Board, there is chaos. If a man presents himself at the new premises in Sydney he will see from thirty to forty people waiting ahead of him to get information and attention. There are no messengers available to take messages to the Board, and the arrangements, on the whole, are a disgrace to the Commonwealth. A member of this House stood for an hour and a half on Monday morning waiting his turn to secure attention. He went away and returned in the afternoon, and again it was the same story. The result was that he was not able to

leave Sydney last evening, in order to be in his place here to-day, since he was anxious that the pensions business which he had in hand should be attended to as soon as possible. Chaos now reigns where formerly there was business-like activity.

Mr. RICHARD FOSTER.—That branch was running splendidly before.

Mr. RILEY.—It was; and at about half the expense. With regard to the proposition that soldiers' homes should be built of concrete, I would remind the Government that in the Home and Territories Department there is a report having to do with the manufacture of cement. The Parliamentary Works Committee reported, some time ago, on cement manufacture at Fairy Meadows. The Government have the land at that spot, and they have the best marble stone in the country with which to manufacture cement. The Government are the biggest consumers of cement in Australia; they cannot secure enough for the Murray River works alone. The time is ripe when they should institute their own cement works. The price is still steadily rising, and the Government are requiring more and more of the commodity. The amount of money involved in the establishment of works at Fairy Meadows would be relatively nothing, as compared with the saving. The honorable member for Dampier (Mr. Gregory) was a member of the Committee which reported upon this project at Fairy Meadows.

Mr. GREGORY.—But I did not approve of it.

Mr. AUSTIN CHAPMAN.—The site was in the wrong place for the honorable member to be expected to do so.

Mr. RILEY.—Anyhow, the Government cannot secure their requirements, and neither can the general public.

Mr. RICHARD FOSTER.—There is not a cask of cement procurable in Adelaide to-day.

Mr. RILEY.—We are told that Commonwealth ships have been journeying out to Australia half empty. Why do not the Government import cement, so long as there is a shortage in Australia,

thus assisting to secure their own requirements and relieve the general market?

Mr. FENTON.—We ought to be making our own cement.

Mr. RILEY.—But, while we are not doing so, surely we might as well be utilizing our Commonwealth steamers for the importation of supplies.

With regard to our blinded and disabled soldiers, I hope the Government will be as generous as possible. The Federal Parliament, I know, will indorse any action which the Government may take to render lighter the burden of incapacitated men. We have not been as generous as we should have been. We should take steps to treat them more generously, and then to make it an offence for maimed and blinded men to be standing at the street corners begging in association with bands. It is not good to see maimed men hopping about, shaking boxes for contributions from the public. It is a reflection on the whole community. We cannot blame the men, if they have not got enough to keep themselves; but the Government should see to it that there is no need for them to be begging. It is a reflection upon Parliament and the country that we are not providing sufficient money to save those men from begging in the streets. In regard to the recent purchase of saw-mills and timber land in Queensland, I stand for the principle of the Government supplying their own timber, and keeping out of the hands of the Combine. If the Government do that, they will be rendering a service to the country.

Mr. CAMERON (Brisbane) [3.51].—I add my congratulations to the Government on the amendments to the existing law which this Bill seeks to effect. The increase in the amount to be advanced from £700 to £800 is a redemption of a promise made some time ago, and is, obviously, necessary on account of the increased cost of labour and material. With regard to the extension of benefits under the Act, I am glad that those men who entered camp but were discharged before leaving Australia—mostly, I believe, men who were in camp when the Armistice was signed—are to be included. No doubt they broke up their homes in order to enlist, and they should

be entitled to participate in the advantages which the War Service Homes Act offers. I welcome the inclusion, also, of the seamen and the wireless *personnel* employed in the war zone, and I am glad that the wives of men mentally afflicted will be given the right to apply for homes. Honorable members on all sides of the House have urged that the benefits should be extended also to munition workers and war workers generally. Under the existing law, those munition and war workers who went abroad under arrangement with the Defence Department are included, but the Government are now urged to include those workers who went to Great Britain independently of the departmental scheme. This opens up a very big question. There are very many sad cases amongst the dependants of munition workers who returned to Australia suffering from some disability contracted on the other side of the world. They are not entitled to any benefits under the War Service Homes Act, or even under the Invalid Pensions Act, because the affliction was contracted outside Australia. I have no objection to the inclusion of all the munition and war workers provided that the Government can, with due regard to the financial obligations of the country, see their way to adopt that policy. However, the applications of those who were included under the original Act should receive priority, so that they may get their homes first. It is very difficult for a vocational trainee to secure a War Service Home. The regulations provide, rightly no doubt, that a man must prove that his financial position is such as will enable him to meet his obligations in regard to a home. That bears very hardly upon a trainee who is a married man with a family. Many of these men, owing to some disability caused by the war, have been unable to return to their pre-war occupations, and are now being trained for a new position in civilian life. They must live somewhere, and I maintain that the rent they must now pay would, in most cases, exceed their weekly obligations under the War Service Homes Act. I trust that the Minister will look into this matter, and do something to assist the vocational trainees, particularly the married men. The Minister for

Mr. Cameron.

Repatriation (Senator Millen) stated in another place that of the total amount of £116,144 due by soldier occupants under this scheme, up to 30th June last, all but £2,447 has been repaid. This is a splendid record; the Australian soldier in his efforts to re-establish himself in civilian life, and to meet his obligations, is working out a splendid sequel to the story of his achievements in France and the other theatres of war.

Mr. CHARLTON (Hunter) [3.55].— This is a measure which must be dealt with chiefly in Committee. There does not appear to be any very big principle involved, except in regard to the increase of the amount of advance from £700 to £800. The time has arrived when we must be very careful of what we do in this regard. I know that at the present juncture it is absolutely necessary to increase the amount, in order that the soldier may get what may be termed a respectable home. But, in the interests of the soldiers themselves, we should have been more guarded in the past than we have been. We have permitted costs in connexion with these homes to increase at the same rate as the prices of commodities generally, with the result that the soldier will find himself saddled with a heavy burden of debt. It must not be forgotten that the money which the Commonwealth advances for the purpose of establishing these homes must be repaid to the Treasury by the soldiers. Therefore, we ought to be careful to see that the homes are built as cheaply as possible. At the initiation of this scheme, I urged that steps should be taken to provide Commonwealth-controlled brickworks and saw-mills in the different States; and I agree with the honorable member for South Sydney (Mr. Riley) that some arrangement ought to have been made for insuring supplies of cement at a reasonable price. Had that policy been adopted, probably the Government would not have been asking Parliament to-day to increase, by £100, the amount to be advanced to each applicant, and the soldier would have been able to get as good a home for less than £700. I know that recently steps have been taken by the Department to secure saw-mills and timber lands in Queensland. With the principle of that purchase I am in agreement. I know nothing of the merits of the trans-

action itself, and, therefore, I will not commit myself to any criticism, beyond saying that the Government seem to have paid an enormous amount for the properties they have acquired.

Mr. TUDOR.—It is stated that Lahey's property was offered to the Queensland Government four years ago at half the price paid by the Commonwealth Government.

Mr. CHARLTON.—Have the late owners been cutting on the property in the meantime?

Mr. TUDOR.—They have been cutting at the rate of 8,000,000 feet per annum during the last four years; and of the 10,000 acres, there is only about 3,000 acres of timber left.

Mr. CHARLTON.—If that statement is correct, the Government seem to have paid an excessive amount for the property. At any rate, there is room for a searching inquiry into the transaction.

Mr. BAYLEY.—On the figures that have been supplied to us, that statement is not correct.

Mr. TUDOR.—The mills are in five different places, and will require five different managers.

Mr. CHARLTON.—The Government have paid a large amount for the saw-mills, and any doubt as to the transaction should be cleared up. I know that saw-mills could have been acquired for less than the amount which the Commonwealth has paid in Queensland. In my own district there are mills which could have been purchased very much cheaper. The Government might also have obtained the requisite authority to cut supplies of timber in the State forest in the North Coast district. They would thus have obtained much cheaper supplies than they are getting at present. But these steps should have been taken at the inception of the War Service Homes scheme. We are in duty bound to protect the men who fought for the Empire overseas, and we are not protecting them when we allow prices for the supply of the requisite materials for these homes to continually increase, thereby compelling each soldier to pay more for his home. We have not adopted sufficient precautions to insure that he shall get his home as cheaply as possible. It is pleasing to learn that, so far, the Department has

been able to erect homes by day labour for considerably less than they have been able to erect them by contract. From a statement made by the Minister for Repatriation (Senator Millen) I gather that more than £100 per cottage has been saved by the adoption of the day labour system, as compared with the contract system. That is a considerable sum to the soldier, and a saving which will justify the Government in erecting more of these homes by means of day labour.

I am somewhat disappointed to know that the best land upon which to erect these homes has not been selected. I am speaking more particularly of land in the Newcastle district. I have not one word to say against the homes themselves, but I submit that the land upon which they are being erected is very unsuitable for the purpose. In the Newcastle district a large number of homes are being built upon the flattest land to be found there.

Mr. RICHARD FOSTER.—Is it well drained?

Mr. CHARLTON.—There is a drain which was put through it by the State Government some years ago for the purpose of carrying the water away from it. But it is a cold spot in the winter, and the fogs hang there throughout the greater portion of the day.

Mr. MAXWELL.—Was any protest made against the purchase of the land at the time of its acquisition?

Mr. CHARLTON.—Not so far as I am aware. I have been a resident of the Newcastle district for many years, and I claim to know the land well. I would not myself live in a house in that situation. Plenty of elevated and cheaper land could have been obtained in that district—land which would have been much more suitable for the erection of soldiers' homes. When we put these homes upon low-lying lands we are not doing the best that is possible for our returned men from a health stand-point. Within half a mile, or a mile, of this particular site suitable land at a cheaper cost could have been obtained. Upon the other side of the railway, a man recently purchased a large area, which he has subdivided and sold at a good profit. As there are quite a number of soldiers' homes to be erected in this district, I hope that the

Minister will recommend to the Commissioner that in the future he should purchase only such land as is well suited for the purpose.

Mr. GREGORY (Dampier) [4.5].—An examination of this Bill would lead one to believe with the exception of a small amendment which is set out in proposed new section 14A that the desire of the Government is to give the Commissioner even far greater powers than he already possesses. Why they wish to do so I do not know. When we had to deal with the Minister for Repatriation we all knew him, but I cannot say how many honorable members know the Commissioner. Under the principal Act we have already vested in that officer the most extraordinary powers. If we may judge by the amendment which is forecast in proposed new section 14A, the Minister evidently considers that any expenditure in excess of £5,000 should be approved by him. Yet it is intended to give still further powers to the Commissioner. I have not had time to peruse the papers relating to the purchase of a saw-milling plant in Queensland, nor did I think it was my duty to do so. Other honorable members possess a more intimate knowledge than myself both of Queensland and of that class of business. But the answer which the Minister gave to questions which were put to him in that connexion appears to have been given with a view of biasing Parliament in favour of the purchase. For instance, no provision whatever was made for charging interest upon the capital cost of that undertaking. Such an omission was a highly improper one. Interest will have to be paid upon the expenditure involved, and under any circumstances should be a regular charge against the purchase. I wish now to put a proposition to the Government their acquiescence in which will obviate a good deal of trouble in the future. Will they consent to refer this purchase to the Public Accounts Committee for investigation? Upon receipt of the report of that body we could then determine whether any further steps were necessary. When a purchase of this magnitude is made by the War Service Homes Commissioner, even with the approval of the Minister whilst Parliament is sitting, and without

the Parliament's knowledge and concurrence, we are justified in asking for a further inquiry into it, particularly after the statements which were made by the honorable member for Cowper (Dr. Earle Page), and in an interjection by the Leader of the Opposition (Mr. Tudor). The Committee of Public Accounts regularly deals with questions of expenditure by Parliament, and I can see no reason why this particular purchase should not be referred to it. Of course, I quite recognise the difficulties which have confronted both the Commissioner and the Minister in connexion with this War Service Homes scheme. A large number of buildings have to be erected, and certain business people have been putting their heads together for the purpose of raising the prices of the materials required for those buildings, and generally acting in restraint of trade. Whilst the war was in progress, I know that there was one section of the community who were giving their all to this country, and another section—particularly those who waved flags the most—who were robbing the community to their heart's content.

Mr. TUDOR.—The honorable member can say that whilst he is sitting upon the other side of the Chamber, but he could not say it if he were upon this side.

Mr. GREGORY.—The honorable member is talking nonsense.

Mr. TUDOR.—We should be accused of disloyalty if we said it.

Mr. GREGORY.—Surely the honorable member does not think that honorable members upon this side of the Chamber are here in the interests of the employers? The only difference between the honorable member and myself is that I want a fair deal all round, whereas he desires a fair deal for only one section of the community.

Mr. TUDOR.—I want a fair deal all round. The workers have not received a fair deal yet.

Mr. GREGORY.—Then we must look to get it.

Mr. TUDOR.—We shall keep on looking.

Mr. GREGORY.—There are people who have been robbing the community—

Mr. RYAN.—The honorable member also added that they are the people who waved flags the most.

Mr. GREGORY.—Nearly always. They indulged in a lot of lip loyalty. I recognise the difficulties which have confronted both the Commissioner and the Minister in giving effect to our War Service Homes scheme. Prices have been rising, and it has been almost impossible to obtain the requisite supplies of material. But in the report which was submitted to this Parliament no mention was made of the fact that the Commissioner had recently entered into a three years' contract to purchase 6,000,000 feet of Queensland pine per annum at 32s. per 100 feet at the mill, representing 35s. at Brisbane. The Commissioner has estimated timber costs at 56s. Are we to assume that he is buying some timber at 35s. in Brisbane and estimating 56s. for the timber from his own mills?

Mr. RODGERS.—The honorable member knows, surely, that when differing rates apply it is the practice to average the cost.

Mr. GREGORY.—Yes, but what will happen in two or three years' time, when we are beginning to get supplies of red and white pine direct from the Baltic, and prices are coming down to nearer pre-war levels?

Mr. RODGERS.—The difficulties of the present are sufficient without anticipating what may happen three years hence.

Mr. GREGORY.—But will the Minister give us an assurance that this purchase will be referred to the Public Accounts Committee?

Mr. RYAN.—That seems a reasonable request.

Mr. RILEY.—Why not refer it to the Public Works Committee?

Mr. GREGORY.—As chairman of that Committee, I would hardly care to ask that. I should prefer an investigation to be made by the Public Accounts Committee, and if members of that body are satisfied that a good deal has been made, I am sure that the House will be satisfied also. This course ought to be taken.

When the Bill reaches Committee I intend to move in the direction of compelling the Commissioner to furnish Parliament with a half-yearly return showing the results of the mill operations. I do not know whether the Minister is aware of the fact, or whether I am making a mistake, but from a casual perusal of the Act I believe the Commissioner is not required to provide returns at all.

Mr. RODGERS.—I think I was responsible for the insertion in the main Repatriation Bill of the provision requiring annual returns.

Mr. GREGORY.—But that provision does not appear in the Act. I was not present when it went through, so I exonerate myself from any blame in connexion with the matter. I happened then to be in Western Australia. So far as I can see, with the exception of money borrowed from the Savings Bank, the Commissioner is not obliged to make returns at all, but he may make appointments or spend money how and when he likes. The Government, in effect, have given him power to spend £500,000 in the purchase of these trading concerns without being required to furnish annual returns to Parliament showing the results of their operations. This is not right. I know of no other Department in such a unique position, and I certainly will do what I can to amend the Bill in the direction indicated.

There is another feature of the measure to which I might direct attention. How many of us know anything about the Commissioner's ability to determine eligibility under the Act. In the Act we had a fairly reasonable definition of an "eligible person," but this definition has been removed from the Bill, and we are told that "eligible person" means any person who is an Australian soldier, a munition worker, or war worker, and so on. That is to say, if the Commissioner is satisfied with regard to an application by any person claiming to be a war worker, he may be allowed the privileges of this Bill. If we are going to allow the Commissioner to erect houses for every person in the community, why not say so? In the amending Bill of 1918 there appears this definition—

"War worker" means a person who, during the continuance of the war which commenced in the year One thousand nine hundred and fourteen, entered into an agreement with the Commonwealth to proceed to Great Britain for the purpose of engaging in work as a labourer, fettle, or navvy, for the Imperial Government, or otherwise, and engaged in such work.

There is something definite. I for one would be glad to enable any man who has made sacrifices for his country to get assistance to build his house, but in future the Commissioner himself will be empowered to define who is meant by a "war worker." I could claim to be a war worker because of what I did during the war, and a lady working in connexion with

the Red Cross at Government House might similarly be included under the provisions of this measure. I hope the Minister will explain the position when he is replying.

Mr. RODGERS.—I shall certainly answer your construction of the definition.

Mr. GREGORY.—Why has the definition been taken out of the amending Act and discretion placed absolutely in the hands of the Commissioner?

Mr. McGRATH.—Because those who went abroad comprised three classes, namely, members of the Australian Imperial Force, munition workers, and war workers.

Mr. GREGORY.—But the amending War Service Homes Act contains a complete definition, and now, under this Bill, it will be possible for men who made shells in Australia in the early days of the war, and who made absolutely no sacrifices, to claim its privileges.

Mr. McGRATH.—It would do no harm to allow them to get homes.

Mr. GREGORY.—But where shall we end?

Mr. McGRATH.—We do not want to end.

Mr. RILEY.—They will all have to pay for all they get under this Bill.

Mr. GREGORY.—That is not the question at all. If we are to provide homes for everybody, why not indicate that this is a measure to provide homes, not for soldiers, but for the Australian people?

Mr. RILEY.—I would have no objection to that.

Mr. GREGORY.—No doubt, but it is questionable whether we have money to do that. The Act is primarily intended to provide facilities for the erection of homes for Australian soldiers and for those who made sacrifices during the war, and I do not think the Commissioner should have power to be able to say that any person who did not go out of Australia and who made no sacrifices should enjoy the same privileges. If the Bill is passed in its present form, we shall be allowing the Commissioner to say who is a war or munition worker, and some who did not make any sacrifice whatever might benefit.

Mr. RICHARD FOSTER.—Is there a new definition?

Mr. GREGORY.—There seems to be, and extraordinary power is to be placed in the hands of the Commissioner. At the outbreak of war, there were many Australians in Canada and the United

States of America who rushed to Great Britain and joined up with the Imperial Forces. These men had to accept a lower rate of pay, and when they returned to Australia were not allowed to come under the provisions of the War Service Homes Act.

Mr. TUDOR.—They are allowed to participate.

Mr. RODGERS.—Every person who can come under the provisions of this Bill is specifically mentioned.

Mr. GREGORY.—Where?

Mr. TUDOR.—The principal Act covers every person who served in the Naval or Military Forces of any part of the King's Dominions.

Mr. GREGORY.—Does not the honorable member for Yarra (Mr. Tudor) realize that that definition has been taken out?

Mr. TUDOR.—That is not so.

Mr. MARKS.—The definition of "war worker" still stands.

Mr. GREGORY.—No.

Mr. TUDOR.—The memorandum appears to be clear enough, and the only words deleted are "and was employed on active service outside Australia."

Mr. GREGORY.—The definition of "eligible person" in the amending Act is a person who was an Australian soldier, a munition worker, a war worker, a member of the Young Men's Christian Association—

Mr. MARKS.—All those definitions will stand.

Mr. RODGERS.—It is not my intention to reply to the honorable member at this stage; but I ask him to accept my assurance that every person who can benefit is specifically mentioned. It does not rest with the Commissioner to say who is eligible and who is not. This is an attempt to consolidate the law; but it does not abrogate the provision in the principal Act.

Mr. GREGORY.—If I have made a mistake I am prepared to apologize; but it appears to me that the provision in the principal Act has been amended, and that the Commissioner now has full power to say who is an "eligible person."

Mr. RYAN.—The honorable member was making out a very good case when he was interrupted.

Mr. GREGORY.—If the basis of my contention is wrong, the sooner I get

away from it the better, as I do not wish to misrepresent the case. It appears to me, however, that the definition has been so altered as to leave it entirely in the hands of the Commissioner to say who was and who was not a war worker. I am not at all clear on the point.

Mr. RODGERS.—I have already given the honorable member an assurance; but he declines to accept it, and is looking in other quarters for a verification.

Mr. GREGORY.—Perhaps it would be better for me to leave this aspect of the question for the present; but I shall make sure of the position when we reach the Committee stage.

There is another matter which I would like the Government to carefully consider. I am particularly anxious that maimed soldiers shall be given more generous treatment than they claim to have been receiving. Under section 47 of the principal Act, the Commissioner may, if required to do so by any prescribed authority of the Department of Repatriation, provide a dwelling-house for the use of any totally and permanently incapacitated Australian soldier. If that is the law, I cannot understand why I should receive a letter from an organization asking for certain concessions. I have a communication which reads:—

We have in the New South Wales association two members—Mr. L———

I shall not give the names—

and Mr. T———, who have had each two legs and an arm amputated. These men should be given a home of their own. Mr. L———'s mother and wife told this association that at present L——— and his wife have one room at his mother's residence. To get about from room to room he rolls along the floor, as invalid chairs are too big to get through the doorways. This shows the necessity of building a house to suit such terrible cases. The house need not be big, but the doors could be made wider, and other little conveniences introduced to make their lot at any rate a little easier than it is now.

We should not be receiving letters of this description if the Minister or the Repatriation Department had endeavoured under section 47 of the principal Act to carry out the decision of Parliament. Under that section we gave the Department full power to build homes for these people. I merely quote this letter for what it is worth; but coming from such an organization I should think it would be correct. It would certainly appear

from it either that the persons concerned did not apply to the proper quarter, or that if they did, they failed to secure that sympathetic consideration which I am sure the Parliament would like to be given in all such cases.

Mr. RODGERS.—This matter was first raised by the Leader of the Opposition (Mr. Tudor) when the honorable member was probably temporarily absent from the chamber. I then made a promise as to which I shall make a full statement when replying to the debate.

Mr. GREGORY.—Will the honorable gentleman endeavour to incorporate in the Bill some of the desires of these people?

Mr. RODGERS.—I cannot anticipate my statement; but I think that my honorable friend will be satisfied with it.

Mr. GREGORY.—I am not reflecting on the Minister in any shape or form. The Act gives the Commissioner very wide powers, and the Minister should see that his desires are actually embodied in this Bill. In connexion with the Income Tax Bill, the ex-Treasurer (Mr. Watt) made distinct and specific promises, which we were able to quote from *Hansard*; but they were not incorporated in the Bill, and the Commissioner, when his attention was drawn to them, naturally said, "I can be guided only by the wording of the Act itself." We might have the same experience in connexion with the handling of this scheme. Knowing the Minister as I do, and the work that he carried out in connexion with Repatriation, I am convinced of his earnestness in this matter. I would, therefore, impress upon him the desirableness of embodying in the Bill itself anything that he desires to do for those who have made sacrifices for their country. I ask him to endeavour to insert a clause providing that the Commissioner shall furnish an annual report to Parliament. Such a provision was omitted, unintentionally, no doubt, from the principal Act. We are justified in expecting to receive every year from the Commissioner a report setting out fully what he is doing.

Mr. WEST.—I thought it was part of the duty of the Commissioner to furnish an annual report.

Mr. GREGORY.—No doubt he will do so; but the furnishing of an annual report should be made compulsory. I am also going to move, in Committee, an amendment providing for the presentation

of a half-yearly report to Parliament showing the operations of the timber mills which have been acquired by the War Service Homes Commissioner.

Mr. RODGERS.—If the honorable member's first suggestion be adopted, no doubt the Commissioner's annual report will include a report regarding the timber mills.

Mr. GREGORY.—Not necessarily. What I desire is a special report in regard to the mills and the timber areas acquired. We shall be dealing with a continually diminishing asset, and it is well that we should have presented every six months a report showing the superficial feet of pine, hardwood, and other timbers cut at each mill; the cost of same—including working costs, expenses of administration, interest, capital expenditure, and depreciation—and the price at which the timber is made available for the erection of soldiers' homes. We should have a proper profit and loss account. In regard to machinery, it would probably be necessary to allow 8 per cent. or 10 per cent. for depreciation. I do not suggest, however, what rate should be fixed. We may leave that to the Commissioner, and when his report is presented, it will be open to us to decide whether the rate allowed is too high or too low. The greater the publicity given to State trading concerns the better. If any of them are shown to be a failure, then those who believe in the principle will be all the more anxious to make them a success. Lack of control often breeds neglect. It is only by careful watching and supervision that we can make these concerns a success. If they can be made a success, as honorable members opposite believe, then all the better for the community. I feel, however, that it is impossible to get ordinary public officials to deal with these matters as they would do if they were their own property. Political interference is introduced, and in many cases destroys the efforts being made by the State. In the interests of, not only those who believe in State-owned enterprises, but of those who are opposed to the principle, we should have these returns submitted to the Parliament, so that we may determine whether or not the operations are successful.

Mr. BLAKELEY (Darling) [4.38].—I favour State undertakings, and am particularly anxious that they should not fail because of lack of sympathetic ad-

ministration. From what I can learn of the purchase of certain saw-mills and timber areas in Queensland by the War Service Homes Commissioner, it would appear, to say the least of it, that the venture will do no good to State undertakings throughout Australia. I desire to put before the House certain information which has been supplied to me. I have been told by one of those who held an option over Lahey's properties in Queensland, that the property purchased from that firm by the Commissioner was offered four years ago to the Queensland Government for £150,000.

Mr. RODGERS.—Does the honorable member say that that offer covered the whole of the properties purchased by the Commissioner?

Mr. BLAKELEY.—It covered the whole of the property purchased from Laheys Ltd. After a careful survey extending over something like three days, the persons holding the option decided not to avail themselves of it. They took the view that nothing less than trained eagles or commercial aeroplanes could get the timber out of some parts of the country. Since then some timber has been cut out of the more accessible portions of the estate. The property offered to the Queensland Government four years ago for £150,000 has been sold to the Commonwealth Government for £245,000. Meantime, something like 8,000,000 feet of timber had been removed per year for four years from the more accessible portions of the area. I am informed that a total of 32,000,000 feet of timber has been taken out during the four years, whereas £95,000 has gone on to the purchase price. The appreciation of timber during that period would probably be equivalent to the value of the quantity that has been taken off the area, but 32,000,000 feet having been cut out, the property could not be worth more than £150,000 to-day.

Mr. RODGERS.—Does the honorable member know the person who made that estimate for the Queensland Government four years ago?

Mr. BLAKELEY.—I do not, but I know that the Queensland Government refused to buy the property for £150,000.

Mr. BURCHELL.—Was it exactly the same proposition?

Mr. BLAKELEY.—So I am informed. I am told that the gentleman who inspected these properties on behalf of the Commonwealth is only an accountant. If that is so, I cannot conceive that the Commissioner acted only on his recommendation. The Minister (Mr. Rodgers) may be able to tell us later on who inspected the properties acquired, and what were their qualifications. It is to be hoped that the inspection was made by somebody knowing more about timber than might reasonably be expected of an accountant.

Mr. RODGERS.—Would the honorable member object to state the source of his information? I am very anxious to ascertain the source of a lot of information that has been given.

Mr. BLAKELEY.—I shall tell the honorable gentleman privately the name of my informant. The chief consideration is whether the information is correct—whether Lahey's property was offered to the Queensland Government four years ago for £150,000, whether that offer was refused, and whether, since then, something like 32,000,000 feet of timber has been taken off it. If these are facts—and my informant is one of those who held the option and turned it down because of the difficulty of getting out the timber—the position is very serious.

I understand that the several areas purchased comprise five different blocks, separated in some cases by a distance of over 100 miles. If that be so, each area will need a manager, and a general manager will be required to supervise the whole of the five areas. The question of management should have been taken into consideration when the properties were purchased by the War Service Homes Commissioner. There is just one other matter with which I intend to deal. Only yesterday in Sydney I was in conversation with a master builder, with whom I was discussing the War Service Homes. I have in the past referred to Mr. Kirkpatrick and the big "rake off" which his firm secured by drawing up plans and specifications, which they stereotyped and turned out until further orders at a very fair profit. But notwithstanding the faults of the plans and specifications provided by Messrs. Kirkpatrick and Sons, under which it was possible for a builder to do prac-

tically anything he pleased in the way of using inferior material, I was assured by the builder to whom I spoke that the Commissioner's plans and specifications are infinitely worse. He went so far as to say that the Commissioner's plans and specifications which he had seen could be complied with for a two-roomed house or a ten-roomed house.

Mr. FOWLER.—They must be very elastic.

Mr. BLAKELEY.—Yes, most elastic. This builder informed me that in company with other builders he went over a group of buildings at Belmore, just outside Sydney. They had with them the plans and specifications of the buildings, and they found many departures from them, but one that was outstanding. In one case the plans and specifications provided for a tiled verandah, and it was found that the material used was wood, and in so rough a condition that it did not have a nosing on it. The fact that the homes can be passed with such a flagrant departure from the plans and specifications indicates a very serious lack of proper supervision.

At this particular group a lady was interviewed and was asked the cost of a home. The reason why the question was asked was because several sets of laundry tubs were seen to be broken, and the builders were anxious to know who was going to stand the loss. They tried to elicit some information from the occupier of one of the homes, but when she was asked what was the cost of her home, she said that she did not know, and would not know until the group of buildings had been finished, and then the cost of the whole of the buildings would be averaged and she would be told what the cost of her home was. This lady was in actual occupation of a home and did not know what it was going to cost her.

This information was given me by a builder who has carried out contracts himself. I am told that many contractors are doing quite well, but the average contractor is not prepared to do dishonest things, because ultimately there will be a reaction, and those who have put inferior material into buildings and have put up the cost of a building by breakages or by substituting one material for another, will lose credit and be given a bad name. In the circumstances, the majority of contractors are not satisfied to work for this Department under existing conditions.

Mr. RICHARD FOSTER.—Is not the War Service Homes Commissioner building most of the houses by day labour?

Mr. BLAKELEY.—Not in the case of the particular group to which I have referred. The houses in the group to which I refer are being erected by builders. The matters upon which I have touched are of sufficient importance to warrant an investigation by the Government.

Mr. RODGERS.—Or an answering statement.

Mr. BLAKELEY.—I do not think that it is possible for the Honorary Minister to make a statement offhand with regard to the matters with which I have dealt. If the honorable gentleman can satisfactorily explain the refusal of the Queensland Government to pay £150,000 for a property which the War Service Homes Department has purchased for some £90,000 in excess of that amount, well and good, but personally I do not think that he can do so without an investigation into the matter. I doubt whether without an investigation he is in a position to satisfactorily explain the substitution of rough boards for tiles in the case of one of the buildings in the Belmore group, or the faulty plans and specifications supplied by the Department. I think that these are all matters which require investigation by the Government.

Mr. HAY (New England) [4.51].—The observations which I have to make in connexion with this Bill will be very brief. It has struck me that in the absence of definite information on the subject most of the time taken up by previous speakers in discussing the question of the purchase of certain timber lands in Queensland has been wasted.

Mr. BLAKELEY.—The amount involved in the purchase must be added to the capital cost of the buildings.

Mr. HAY.—That is all right if the purchase is a good one. Most honorable members appear to regard it as a doubtful purchase, but as a matter of fact, no evidence on the matter which can be regarded as definite has been submitted by those who have addressed themselves to that question. Several statements have been made, but they have all been qualified by the words, "If what I am told is true." In view of the business which is before this Parliament, honorable members must realize that it is a waste of

time to discuss questions about which they have no definite information. I say at once on this point as the Scripture says, "If any one can give the show away, let him do it now or for ever hold his peace." I can almost hear my honorable friend the honorable member for West Sydney (Mr. Ryan) saying, "I can, but I won't." I am not going to say anything on a question about which I have no information, and until definite evidence can be submitted concerning the matter, it had better be left alone.

There are one or two phases of the subject under discussion to which I might briefly refer. One is with regard to a matter that has already been explained by the Assistant Minister for Defence. It has reference to the position of those venturesome young men who enlisted, though under the prescribed age. The honorable gentleman told us that discrimination was necessary in order that those who had gone by way of some conspiracy should be separated from those who went into the actual fringing line to do their duty. I hope that when that discrimination is made no one will be deprived of what he is justly entitled to. I know of one particular case of a friend of mine who had two sons who went to the war. One of them, unhappily, was killed, and the other received very high honours. He had a third son, who was only fifteen years of age, and was still at school. This lad disappeared from school, and his father, knowing his desire, knew where to find him. Three or four days after his disappearance he went to the Liverpool Camp and there he discovered his lad of fifteen years of age drilling a squad of volunteers.

Mr. BELL.—What age were they?

Mr. HAY.—Some were about the age of the honorable member probably, and some were very awkward, but this lad had gone through training as a cadet. I hope that when the position of these young men is being considered discrimination will be properly exercised and no one will be deprived of what he is entitled to.

There is another section of returned men for whom our hearts bleed. I refer to the maimed. As the honorable member for Ballarat (Mr. McGrath) said, they are practically prisoners all their lives, because of their physical infirmities. The outlook for those who are disabled and unfitted to follow the ordinary avocations

of men must also be a source of great mental affliction to them. We must treat such men in the most liberal way possible. It would be appalling to think that those who have done such valuable service for their country, and suffered physically and mentally by doing so, should be deprived of the comforts which a generous Government could give them. I am certain that honorable members, rather than see such men deprived of that to which they are reasonably entitled would forfeit a great deal personally. I believe they would be prepared, for the length of this Parliament at any rate, to forfeit their increased parliamentary allowance in order that it might be offered for the benefit of these men.

We must all congratulate the Government of this country, and particularly the Minister for Repatriation (Senator E. D. Millen) on the magnificent work which has been done in repatriating and settling our returned soldiers. If we look back to a period eighteen months ago, the magnitude of the task then confronting us of repatriating some 260,000 soldiers was almost terrifying, but the work that has been done is herculean. The undertaking was one which neither the people nor the Government had ever previously been associated with, and it is perfectly marvellous that this stupendous work has been done in the way, and in the time, in which it has been performed. Mistakes were inseparable from the performance of such a task. It is of no use to say now what might have been done, but I believe that the country, the returned soldiers and the people, are to be congratulated upon what has been accomplished.

MR. RICHARD FOSTER (Wakefield) [4.59].—I agree with the concluding remarks of the honorable member who has just resumed his seat. A very great deal has been done that deserves the highest praise, but that does not preclude reasonable and proper criticism of the work in hand. Honorable members know that I do not approach the discussion of this question in any spirit of carping criticism. I regret very much indeed that we have not the fullest information on the particular matter about which most of the discussion on this Bill has taken place. I understand that some papers which the Minister requires before he makes his reply have not yet come to hand. It would have been infinitely better had the Government held over the discussion on the second reading of this Bill until those

papers had arrived, because honorable members on both sides want a full and complete statement from the Minister, which we have not yet had. In the absence of such a statement, I for one will want the provision in this Bill relating to the almost unlimited authority of the Commissioner considerably tightened up. Indeed, even apart from a complete statement from the Minister, I should imagine honorable members generally would see the necessity for doing this. When the War Service Homes Bill was before the House on the last occasion I assented with a good deal of mental reservation to the granting of these enormous powers to the Commissioner; and, if my memory serves me right, I fancy that the Honorary Minister (Mr. Rodgers), the honorable member for Dampier (Mr. Gregory), and others were with me, but in the meantime I am prepared—indeed, I am obliged to do so—to allow the matter to stand over until we get a full and complete statement in regard to the acquisition of the Queensland saw-mills and timber areas.

I want now to refer to the competition of the War Service Homes Commissioner with State activities in the matter of providing houses for returned soldiers. In some instances it is absolutely unjustifiable. When the Minister for Repatriation (Senator Millen) was visiting the various States feeling his way and arranging for this gigantic work, to which he has given such an enormous amount of energy and thought, as he has generally in regard to all repatriation matters, I advised him to look at the work which had been done for the past eight or nine years by the State Bank of South Australia on behalf of the State Government in the direction of providing homes for civilians—work which I have not seen equalled anywhere, and which compares more than favorably with what has been done by the War Service Homes Commissioner, more particularly in Victoria. The more I have looked into this question of the competition of Government activities since it was first raised in this House by South Australian members, the more I have become convinced that the State Bank of South Australia was providing homes at £100 per house less than the cost of similar homes built in any other State.

DR. MALONEY.—Under the Workers' Homes Act of Western Australia houses are provided at from £150 to £200 less than the cost of similar houses in Victoria.

Mr. RICHARD FOSTER.—Where such excellent work was being done, why should the War Service Homes Commissioner be so anxious to come in with his Department and interfere with it? A little while ago honorable members had the opportunity of seeing samples of the work done in South Australia, and many private contractors in Melbourne came into Queen's Hall to examine the designs. Several of them said to me that they did not know how the houses could have been built for what they cost. Yet in spite of all this, and in spite of our protests against the War Service Homes Commissioner extending his operations to South Australia and competing against the excellent work that was being done by the State Bank under the authority of the State Government, which found the money, he is still determined to do so.

Sir GRANVILLE RYRIE.—When the honorable member claims that the State Government finds the money, I hope that he remembers that it was the Commonwealth Government which lent it to them.

Mr. RICHARD FOSTER.—The honorable member is not quite correct, because the South Australian Government found the money, and was responsible for the building of these homes long before any Commonwealth Act was passed or even before the Department of Repatriation was established, and its terms in respect to interest and the period of repayment were even more liberal than those contained in the War Service Homes Act.

Mr. BELL.—Is the South Australian Government willing to continue this work without help?

Mr. RICHARD FOSTER.—I shall come to that matter in a moment. When the Minister set out to defend the position taken up by the Commissioner—I had a strong feeling at the time that he was not expressing his own views, but those of the Commissioner—he retaliated that the South Australian Government were not providing homes for soldiers whose earnings amounted to more than £350 a year. The South Australian Government immediately replied that they would also take in hand the matter of providing homes for soldiers whose salaries exceeded £350 a year if the Federal Government would find the money, and that they would carry out this additional work at the cost of only 1½ per cent., to cover supervision, plans, agreements, and everything.

Mr. WEST.—What! On a house costing £600 the State Bank's charge would be only £9 for all that work?

Mr. RICHARD FOSTER.—Yes. The State Bank had been doing this work for seven or eight years for civilians before they undertook to provide also homes for soldiers. It is not in the interests of the men that this competition should take place. When the War Service Homes Commissioner began to compete against the work of the State Government in the matter of buying and building homes in South Australia, the natural result was an immediate rise in prices to the tune of pretty nearly £100 a house. The cost of all materials rose at once. I hope honorable members will bear this fact in mind when we get into Committee, because we ought to be in a position to know whether this sort of competition has benefited either the returned soldier or the country.

Mr. JOWETT.—It has not. It is but another deplorable instance of the clashing of Commonwealth and State activities.

Mr. RICHARD FOSTER.—It is a deplorable instance of overlapping, and it ought not to exist. Surely the War Service Homes Commissioner had work of sufficient magnitude in other parts of Australia to restrain him from entering into a competition in South Australia which has resulted in the State Government pulling out of the business of building soldiers' homes?

Mr. TUDOR.—Does the honorable member advocate that the Commonwealth Government should pull out of the business?

Mr. RICHARD FOSTER.—I claim that the Commonwealth Government should never have gone into it in South Australia. The Commissioner could have devoted his energies to the State of New South Wales, leaving alone a Government which was doing better work than he could do. The action of the Minister for Repatriation—because, in the last analysis, he is responsible, through competition forcing up prices—has made the burden too big for the State Government to carry on, and so it has pulled out. It would have paid the War Service Homes Commissioner to have allowed the State Government to continue its work, even if the Commonwealth had been obliged to find the money; which,

even now, it must do for the building of houses for soldiers with an income of over £350 a year. At any rate, the result of the disastrous competition instituted by the War Service Homes Commissioner is that building materials are practically unobtainable in Adelaide today. Last week I went to every establishment in that city to try to buy cement, and could not secure a single cask. It is the same with all classes of building material. Thus the action of one Government in competing against another not only affects both Governments, but also has a very bad reflex influence on the erection of homes for civilians, which are so badly needed in this country. I hope that honorable members will look into this question in a rational way, and determine in no uncertain manner that the form of competition to which I have drawn attention is decidedly injurious to every one concerned.

Dr. MALONEY (Melbourne) [5.14].—I indorse the remarks made by the honorable member for Wakefield (Mr. Richard Foster). He has clearly shown the advantages which the South Australian Government possess in the matter of building houses, and I regret that the Commonwealth Government, when setting out on this class of undertaking, did not at once utilize existing State activities. Let me point out the instance of the houses built at Narrogin, in Western Australia, under the provisions of the Workers Homes Act in force in that State. If honorable members saw the standardized plans issued in booklet form by the Western Australian Government, they would admit that the homes provided are very comfortable indeed. At a minimum of cost and at a minimum of rental, workmen can get absolute ownership. Large blocks are allowed at Narrogin of which the rental is 10s. per six months. If a worker leaves his occupation there he is able to sell to the man who takes his place on the railway, and the Government so arrange things that there is absolute equity in the transfer. I am sure, from knowledge which I have gained from one who made a specialty of going round and seeing the buildings spoken of by the honorable member for Wakefield (Mr. Richard Foster), that those places in Adelaide are really equal to anything of the

kind in any of the States, and good enough for any one to live in.

Mr. JOWETT.—Why should the Commonwealth interfere with that?

Dr. MALONEY.—The honorable member knows the trouble that occurred in this House about a certain architect who, I believe, is related to the Governor of the Commonwealth Bank, and who has all these dainty tit-bits put into his lap against the whole of the architects of Australia. Why should not the work of the Commonwealth Bank be open to competition by every architect in the Commonwealth? But no, forsooth, one is favoured who is a relative of the lately titled gentleman who rules the Commonwealth Bank, and who is the boss of all around. Any architect will agree that, in building the soldiers' homes, if diversity is wanted, only about fifty standardized plans would be sufficient for the whole of Australia, with variations for certain States. For instance, in the far north of Queensland, a house is needed that will give coolness and shade; whereas, in what I have heard honorable members call the desperate climate of Melbourne, we want something that will assure more warmth than in the more genial climates. There are worse climates in the world than that of Melbourne, but I must admit that there are many far better in Australia.

I welcome the determination of the Government to secure their own timber supplies. So long as they are not charged an unfair sum the transaction will be a lesson for future Governments to follow. I wish that the late Sir Thomas Bent were now Premier of Victoria, because then we should not be crying out for timber, bricks, and cement in this State. If the Commonwealth Government have not the power, it should seek power from the House to seize any brickworks that are closed down by monopolies, because such works should not be allowed to remain in the hands of those who are essentially exploiters of the community. Sir Thomas Bent, as Premier of Victoria, set brickworks going, and reduced the price of bricks all round. He thus saved the State of Victoria many thousands of pounds. I mention this as an example for the Commonwealth Government to follow in regard to its building needs. I should like to see it take over also timber works

and cement works. I had on my desk to-day a letter from one of the big merchants here, stating not only that he could not supply cement at the present moment, but that he did not know when he would be in a position to do so. That is a terrible state of affairs, with the population increasing, and a growing demand for homes, and the unfair raising of rents that is going on. As the honorable member for Wakefield justly said, the first duty of the Government is to those who offered their lives at the Front; but their next duty is to the citizens of Australia, who require proper accommodation in which to live and bring up that best of all immigrants, the Australian baby.

I was very pleased to hear the honorable member for Parkes (Mr. Marr) ask the Prime Minister whether the Government would favorably consider the question of issuing Canberra bonds, similar to those issued by the Island of Guernsey, and thus afford the people of Australia an opportunity to invest their money in the building of necessary administrative and parliamentary offices at Canberra. The Prime Minister's answer was that an opportunity for discussing these matters would be afforded in connexion with the Estimates. This Bill, I submit, affords an even more suitable opportunity for suggesting the adoption by the Commonwealth of what has proved to be one of the finest financial experiments the world has ever seen. A full description is given by Mr. J. Theodore Harris, B.A., in his book, *An Example of Communal Currency*, published in 1911, a copy of which can be read in a couple of hours in the Parliamentary Library. In the early part of last century it was very difficult for municipal bodies to borrow money on the London market. The Napoleonic wars were then in progress, and advances were not as easily made in those days as they were just prior to the late horrible war. In the little island of Guernsey, which was never conquered by England, but which came to England by marriage—and some of the Guernsey islanders claim that it was they who invaded and conquered England with the Normans—there was a very narrow street, about 10 feet wide, which was lumbered up with stalls for the sale of meat, fish, and produce, to such an extent that sometimes as many as twenty carts would have to stop at one boundary of the town be-

fore another string of carts had passed through. The bailiff was a man of wonderful ability, named Daniel De Lisle Brock. He asked, "Have you any bricklayers, stonemasons, or carpenters among you?" When the townspeople said "Yes," he replied, "Well, why don't you build your market yourselves?" He put forward the great idea of issuing currency notes for that one purpose, and his suggestion bore fruit. Shortly put, these are the facts of that historical incident: In the early years of 1800, three men, Daniel De Lisle Brock, Nicholas Maingy, and Jean Lukis, carried into execution the idea formulated by Brock. Currency notes of the value of £1 were issued. It was agreed by a meeting of citizens to take them in payment, and the contractors and shopkeepers also agreed. The municipality had the land, the market was erected, and every stall was let. The narrow streets were cleared of all the old stallholders. Then on certain appointed days as many notes as had been received in payment of the rents of the market stalls were burnt, and, in addition, an amount of the market notes, equal to any sum of money that the municipality could contribute, was also burnt. Thus at the end of ten years the whole of the issue of notes was destroyed, and a rent-producing property was owned by the municipality for ever. A copy of the accounts, given at page 19 of Mr. Harris' book, shows the following:—

Market accounts for 1826—

Notes to bearer of £1 destroyed—22nd March, 1826, £400; 7th November, 1826, £420; 1st March, 1827, £122; total, £942.

Total of notes issued for the market, £11,296; total of notes destroyed for the market, £3,626; leaving in circulation, £7,670.

No wonder the inhabitants made a festive day on the occasion on which the currency notes were destroyed, because every note burnt brought the day nearer when the community would own for all time a property not only debt free but also rent-producing.

To give an example on a much larger scale, in the Victorian House of Assembly sitting in this very chamber, Mr. Higgins, now Mr. Justice Higgins, moved for the production of a return showing the debts of Victoria. The information disclosed that Victoria had borrowed approximately £50,000,000, had paid altogether, in interest and capital for conversion at

less interest, about £52,000,000, but still owed, after some fifty years, £50,000,000. If Victoria had issued currency notes backed by the security of the railways and rolling-stock and guaranteed by its own Government, and if on an appointed day each year thereafter an amount of the notes corresponding to the amount of interest paid had been burnt, the debt would have been wiped out, and Victoria would have built her railways and other revenue-producing works absolutely free of cost.

I am very glad of the success of the late loan, but it would have been as well for the Commonwealth Government, in the name of Australia, to ask the wealth of Australia to advance free of interest the sum required to build these homes for the soldiers. This would have been justified in view of the fact that 70 per cent. of the manhood of Australia offered their services at the Front, 43 per cent. were accepted, and over 37 per cent. actually left the shores of Australia for the Front, and in view of the further fact that, whereas the wealth of Australia was estimated by Mr. Knibbs at the commencement of the war to be worth £1,200,000,000, strange to say, its value increased during the war by £400,000,000. If those who own Australia's wealth had responded freely to such a request from the Government, it would have been a great and meritorious action on their part. There are wealthy men in Australia who, I believe, if appealed to in that direction would readily respond. The Government could then have followed the example of the Guernsey Island market note experiment, destroying the bonds as they were able to redeem them. The return from every house built for soldiers, from every farm on which soldiers were settled, and from all works undertaken to conserve the water which falls from the heavens, could have been ear-marked for the purpose of redeeming the bonds, and the Government could have charged the soldiers much less per annum for the War Service Homes than they are charging now. The amounts which the returned soldiers have to pay for their houses every year are very large. Certainly, in thirty years the homes will belong to them or their descendants, but if we had followed the Guernsey example they would have been cleared of debt at the end of, say, thirty-three or fifty years, and the whole transaction would not have cost the Government one penny piece.

There would be no interest to pay; but there is one thing definite about this system. The notes in connexion with each reproductive work—on which similar notes would be issued—must be ear-marked to the special work for which they were issued; and, at certain dates, certain amounts should be destroyed; otherwise, of course, great loss would occur.

With respect to the future of Australia, the repatriation of hundreds of thousands of soldiers and sailors, and, we hope, of many more sturdy representatives of our Allies, is a problem not only of continental interest, but one of Imperial significance. Mr. Deakin asked us to think continentally. Others have urged us to think imperially. We have to consider both continentally and imperially when called upon to settle 300,000 men on the land, and—connected with their various industries—carry out our promises. Consequently, I approach this question in its broadest aspect. The model in the Library shows the physical features of Australia and emphasizes the fact that two-thirds of the continent are waterless, from the surface point of view. While we talk of land settlement it can only be accomplished in a comprehensive and effective manner after studying the physical aspect, the lack of surface water, and the necessity for conserving every drop that falls in the catchment areas, and of utilizing it for the purposes of settlement. The late Lord Forrest, by a statesmanlike act, guided by the genius of the hydraulic engineer, O'Connor, with splendid courage, pumped water to Kalgoorlie, reticulated many square miles of country, and made it possible for the Western Australian gold-fields centres to be permanently inhabited.

The same principles are applicable right through Australia. So far as land settlement is concerned, I believe the true policy to be found in the employment upon developmental work of returned soldiers, who wish to settle on the land. They should spend half their time on developmental work, and the other half on their farms or orchards. This seems to me to be a policy eminently befitting the requirements of brave men who dared any danger on the battlefield and who, as pioneers, are built of the right material to reclaim vast areas in the interior, and to bring them within the zone of usefulness and productivity; in other words, to

make Australia one of the granaries of the world. I cannot here do better than quote the following extract from Gilbreth's *Motion Study*—

Professor N. S. Shaler astounded the world when he called attention to the tremendous waste caused by the rain washing the fertile soil of the ploughed ground to the brooks, to the rivers, and to the seas, there to be lost for ever. While the waste from the soil washing to the sea is a slow but sure national calamity, it is negligible compared with the loss each year due to wasteful motions made by the workers of our country. In fact, if the workers of this country were taught the possible economies of motion study, there would be a saving in labour beside which the cost of building and operating tremendous settling basins, and the transporting of this fertile soil back to the land from whence it came, would be insignificant. Besides, there would still be a surplus of labour more than large enough to develop every water power in the country, and build and maintain enough wind engines to supply the heat, light, and power wants of mankind.

It has often been remarked how, when water has been added to an arid land, wonderful crops are the result. A great American scientist has found that the potash salts, which are generally washed away where rainfall is too heavy, are retained in arid land and collected from year to year; so that, when water is scientifically applied to such soil, the more marvellously fertile it becomes. In Egypt will be found vivid examples. As a traveller goes through that land he will note, on the one hand, the whole countryside in a state of abundant fertility—for there, the life-giving water has been supplied; while, on the other hand there is death—for there, the science of irrigation has not been applied.

I hope the Government will see to it, in all their dealings, that there shall be no further robberies of the people such as occurred in respect of the wheat operations, wherein millions of bushels disappeared. I commend the Government for their action in respect of the Queensland timber mills, and I trust that they will extend operations in the matter of securing necessary supplies of cement and bricks. God knows that I have had to hold up to scorn and loathing various of the regulations issued under the War Precautions Act. But why should not the Government now issue one more regulation, which would put an effective stop to profiteering in bricks and cement, and in respect of every line of material re-

quisite for the building of soldiers' homes! I recognise that, in view of the opinions held by many of their supporters outside this Parliament, the Government have taken a big and bold step in respect of the timber deals; but now they should go straight ahead and similarly secure all requisite supplies for the establishment of Australia's soldier men in their own homes.

Mr. MARKS (Wentworth) [5.41].—

One of the outstanding remarks which I noted during this afternoon's debate had to do with the Government's timber project in Queensland. I do not profess to know anything about timber, but one statement of the honorable member for Darling (Mr. Blakeley) was so serious that it deserves closest consideration and investigation. I refer to the remarks of the honorable member in which he indicated that he had had a conversation with one of those who had held an option over a property which the Government have just obtained, and who had said, in effect, that the Government had paid £100,000 more for it than the figure at which these gentlemen had turned it down. Until I heard that statement, I had intended to say that I had, personally, the very greatest admiration for the Minister for Repatriation (Senator Millen), and for what he has done. I still hold that opinion of him. And I am sure, even now, that the Minister could not have been a party to the Queensland proposition until and unless he had made himself familiar with all there was to know. I certainly hope that, now that the project has gone so far, it will turn out successfully, and will expedite the building of homes for soldiers. There have not been many bouquets thrown at the Minister for Repatriation during this debate; but if one studies the facts and figures which have been made public regarding War Service Homes, one can only say that a most creditable position has been revealed. The statistics were summarized in the course of the Budget speech, delivered last week. The Treasurer (Sir Joseph Cook) stated that, to the 30th June last, the total expenditure in connexion with this phase of repatriation work amounted to £4,961,000. This represented administrative charges, £120,000; and expenditure upon loan funds, £4,841,000. That latter amount is recoverable from successful

Dr. Maloney.

applicants for homes. This is the remarkable feature:—

The cost of administration from the 6th March, 1919, was 2.4 per cent., and for the financial year 1919-20, 2.3 per cent.

That shows a wonderfully low cost of administration of activities involving gigantic amounts. Up to the 30th June, 1920, 24,992 applications had been received and 11,373 approved, representing an expenditure of £6,678,000. Senator Milen, in his very able speech in another place, pointed out that no other country in the world could show a better record in regard to the repatriation of soldiers than could Australia. I quite agree with him, but notwithstanding that excellence, honorable members receive a number of complaints. This afternoon I have been turning over in my own mind the sixty or seventy cases that have been put through my hands, and the complaints, boiled down, amount to irritation on account of the delay in respect of each man's application. For this Senator Millen cannot be blamed. One digger had written six letters to the Department and had not received any acknowledgment. He had also visited the office of the War Service Homes Commission and had been practically kicked out. I sent his letter on to Senator Millen, and in three days I received a reply admitting that the digger had some ground for complaint and that the services of the officer concerned had been dispensed with. That proves that if the Department knows of any delay wilfully caused, the officer responsible will be punished. And rightly so, for every digger naturally thinks that his case is the most important. My experience has been that when complaints are brought under the notice of the Department, the soldier gets a fair deal. I should like the Assistant Minister (Mr. Rodgers) to inform me whether deposits are asked for in every case. The Bill says that the Commissioner may ask for a deposit, but I think the wish of the House, when the principal Act was under consideration, was that deposits should not be insisted upon. In several cases that have come under my notice during the last few days, deposits have been asked for.

Mr. RODGERS.—As a matter of general policy, the deposits are not required.

Mr. MARKS.—I am glad to hear that, because the demand for a deposit causes a certain amount of irritation. Will the

Minister tell me also whether a valuation fee is collected in every case? I was informed yesterday that three different houses for which one soldier had applied had been rejected by the Department, but the valuation fee of £1 1s. was charged in respect of each. That is a charge that might very well be waived, because the Department can surely employ a number of valuers to do this work at small cost, and thus relieve the digger of an additional expense.

Mr. RODGERS.—No fee is charged for valuations by departmental officers.

Mr. MARKS.—My next complaint is important. A soldier attending a hospital as an out-patient is not discharged and is still wearing his uniform; yet he cannot apply for a war service home until he is discharged. That seems a great hardship. I have in mind the instance of a returned soldier who is an out-patient at Randwick Hospital, where he is being treated for gassing. He is living in a house which he is afraid he will lose, and has made application to the War Service Homes Department for assistance. He has been informed that his application cannot be dealt with until he receives his discharge. I ask the Assistant Minister to look into that matter.

Mr. RODGERS.—There was a very clear understanding as to when the Defence Department's obligation ceased and the Repatriation Department's obligation commenced. It would be difficult to admit some cases and refuse others.

Mr. MARKS.—I admit that, but these hospital cases are not numerous. I again ask for the sympathy of the House for the members of the Royal Australian Naval Brigade. I endeavoured, without success, to persuade Parliament to extend the war gratuity to those men. Now they are excluded from the War Service Homes Act. When the war broke out the members of the Brigade were liable under the Defence Act to be sent on foreign service; indeed, a very large percentage of them asked to be sent abroad, but they were all retained for home service on the ground that they were indispensable. On a former occasion the Treasurer (Sir Joseph Cook) informed me, by interjection, that any man who had been engaged in mine-sweeping or patrol work would receive the gratuity. Under this Bill it appears that members of the Royal Australian Naval Brigade, unless they were engaged on a ship of war, cannot acquire

a war service home. I do not know who will interpret the words "ship of war." Generally, a ship of war is one that flies the white ensign, although it may not have a gun or even a revolver on board. I, personally, was scouting for submarines in the North Sea with a little vessel that was absolutely unarmed except for four revolvers and six rifles; and yet she was considered a ship of war. Fortunately for me the bluff came off. The members of the Naval Brigade in many cases worked outside the three mile limit in patrolling and sweeping the approaches to Melbourne and Sydney Heads and on examination duties. Perhaps they were not in as much danger as were men who went abroad, but mines were found in Australian waters, and the German raider *Wolf* was on the coast. They were in actual danger, but they did not get the war gratuity, and now they are not to be allowed to get a war service home; they get nothing. I do not think that is fair treatment, and I ask the Government to reconsider the matter.

Mr. RODGERS.—I have taken a very careful note of the honorable member's remarks, but I think the members of the Royal Australian Garrison Artillery are in exactly the same position.

Mr. MARKS.—They are; I admit that my request is widening the field of assistance, and in these days of financial stringency it is hard for the Government to acquiesce. But munition workers, war workers, and nurses, rightly so, are being included in the benefits of the War Service Homes Act. The only persons excluded are those men who did magnificent service with the Naval Brigade.

Mr. RODGERS.—Whilst they were not actually in the danger zone, yet if a raider had got through they would have been in very real danger.

Mr. MARKS.—The raider *Wolf* was actually in Australian waters, and laid the mines which these men subsequently swept up. I am delighted that the amount to be advanced is to be increased from £700 to £800. For some months I have pressed the Minister for Repatriation (Senator Millen), the Prime Minister (Mr. Hughes), and the Assistant Minister for Defence (Sir Granville Rvrie) to have the amount increased, and I have urged that expedition was necessary, because many applications were being blocked through the lack of the extra £100. Houses are becoming increasingly scarce, and the

additional £100 will be a godsend to many soldiers. I do not know to what extent the increase will be retrospective. The Bill refers to houses in course of erection. I do not know whether the increase will apply also to cases in which the "digger" has had to provide from his own pocket more money than he could afford in order to get a home.

Mr. RODGERS.—It will not apply to any transaction that appears in the books of the Department as having been completed.

Mr. MARKS.—I again pay a warm tribute to the Department, and particularly to Senator Millen, for the enormous amount of work that has been achieved, and the excellent way in which it has been done. The activities of the Department have given great satisfaction to the majority of returned soldiers. The only complaints have been in regard to the delays in dealing with individual cases. I have pointed out to the men that it is impossible to handle thousands of cases as quickly as the men themselves may wish, but the Department attempts to give a fair deal in every instance. I know that the Assistant Minister (Mr. Rodgers) will give consideration to the cases of hospital out-patients, and the claims of the Royal Australian Naval Brigade. I assure him that the latter feel their position keenly; notwithstanding their magnificent work they receive no benefits whatever. One man pointed out to me in Melbourne recently that the old *Protector* went on what was practically a yachting cruise to Cocos Island to have a look at the *Emden* wreck, and because the members of the crew were on "a ship of war" they got the benefits under this Act, and under the War Gratuity Act. They were in no more danger when travelling to Cocos Island at that period than were the men who were working off Sydney and Port Philip Heads. These little differentiations between branches of the service are causing intense dissatisfaction, and I am glad to have the Assistant Minister's assurance that they will receive consideration.

Mr. RYAN (West Sydney) [5.59].—I am sure that all honorable members realize the importance of the housing problem, which has been accentuated by the return of so many soldiers from overseas, and the prospect of many immigrants coming to Australia at an early

date. Honorable members will give cordial support to any measure that will tend to relieve the present shortage of houses or liberalize the terms upon which financial assistance may be given to those who desire to establish homes for themselves. I am glad that the amount of the advance for a soldier's home has been increased from £700 to £800. But I now desire to direct the attention of the Assistant Minister (Mr. Rodgers) to one or two matters which have been placed before me. The first is that several soldiers who desired to obtain homes for themselves—homes which were already erected and which had to be purchased from the existing owners—allege that they were compelled to put up a deposit of 10 per cent. of the total amount of the purchase money. Perhaps the Assistant Minister will be good enough to tell me by way of interjection whether that is so.

Mr. RODGERS.—Before giving a reply I would require to see the specific proposition.

Mr. RYAN.—The case to which I refer is that of a soldier who selected a home near Sydney. Its purchase price was £700, and before he selected it he was given to understand that the full amount of the purchase money would be advanced to him by the Department. But when he came to complete the contract he was told by the departmental officials that he was required to lodge a deposit of £70.

Mr. RODGERS.—It is very difficult to deal with specific cases upon meagre details. If the applicant were prepared to bring his purchase under the War Service Homes scheme in every respect, the full amount would be paid by the Department. But if he desired to get conditions, which would enable him to become the owner of a house, and execute a mortgage over it, he would be required to lodge a deposit of 10 per cent.

Mr. RYAN.—I am quite satisfied that the applicant of whom I am speaking would have been very glad to acquire a home under the conditions first mentioned by the Assistant Minister. It was very hard for him to be obliged to let the deal lapse. I made a telephone inquiry in regard to it from the departmental officers in Sydney, and I was assured by them that a deposit of 10 per cent. was necessary, because of the heavy drain upon the

Treasury consequent upon the large number of applications for these homes.

Mr. RODGERS.—That is certainly not the policy of the Government.

Mr. RYAN.—I am very glad to hear it.

Mr. RODGERS.—If the honorable member will give me the details of the case I will inquire into it.

Mr. RYAN.—As a matter of fact, I did communicate with the Department in regard to it, but, so far—I admit that I have not gone through the whole of my correspondence for to-day—I have received no reply indicating that a deposit of 10 per cent. was not required. I shall support the protest which has been made by some honorable members in regard to the policy of the Government in declining to make advances for War Service Homes to persons who enlisted when under age. I shall not delay the House by elaborating the reasons for my action, because these have been so well put by honorable members who have preceded me. I shall content myself with voicing my support of the arguments which they advanced—

Mr. RODGERS.—Many of which are not well founded.

Mr. RYAN.—I do not say that. I would like to understand the meaning of the statement which has been made by the Assistant Minister. It has been asserted that soldiers who enlisted under age are to be denied the benefits of this measure. That is the charge. Is it true or not?

Mr. RODGERS.—The honorable member supports the charge; but the charge does not lie. There is nothing in the principal Act to prevent persons who enlisted when under age from obtaining the benefits of that measure.

Mr. RYAN.—But the fact remains that, in the administration of the Act, those who enlisted under age are denied its advantages.

Sir GRANVILLE RYRIE.—Not all of them. Perhaps the honorable member did not hear my explanation of the matter the other afternoon.

Mr. RYAN.—I did not.

Mr. RODGERS.—Every member of the Australian Imperial Force, subject to the tests prescribed by the Act, is eligible to participate in this housing scheme.

Mr. RYAN.—Then is there nothing in the suggestion that certain soldiers have been refused the benefits conferred

by the Act, on the ground that they were under age when they enlisted?

Mr. RODGERS.—There is nothing either in the suggestion or in the definite statements which have been made.

Mr. RYAN.—I can assure the honorable gentleman that a soldier made that definite statement to me in Sydney.

Mr. MARKS.—There was something in it, but there is not now.

Mr. RYAN.—Then the evil did exist, but has been removed?

Mr. MARKS.—I understand that that is the position.

Mr. RYAN.—I am very glad of the honorable member's interjection, because it has enabled me to understand the position much better than did that of the Minister.

Mr. MARKS.—If the position is not as I have stated it, I ask the Assistant Minister to correct me.

Mr. RYAN.—I also support the remarks of the honorable member for Newcastle (Mr. Watkins) in regard to the need for widening the clause which deals with the definition of "eligibles." He referred to the fact that representatives of the Young Men's Christian Association are entitled to the benefits which will be conferred by this Bill. I entirely approve of their inclusion in it. I think that they rendered splendid service overseas. But when I was upon the other side of the water I also observed that splendid service was rendered by the Salvation Army and other similar bodies. I think that the same advantages should be extended to them as are being extended to the Young Men's Christian Association.

Mr. RODGERS.—Let me answer the honorable member by saying that anybody whose services were accepted in the danger zone is eligible to participate in the advantages which will be conferred by this Bill, whether they be members of the Salvation Army or of the Young Men's Christian Association.

Mr. RYAN.—Then what is the purpose of narrowing the definition of "eligible"?

Mr. RODGERS.—I will explain that matter more fully at a later stage.

Mr. RYAN.—It appears to me that the Government have singled out the Young Men's Christian Association for special treatment, and have excluded from the provisions of the Bill other bodies who certainly did excellent work.

Mr. RODGERS.—I can assure the honorable member very definitely that that is not the case.

Mr. RYAN.—That is the way in which it appears to honorable members at the present time. If an amendment be necessary to widen the definition of "eligibles," so as to make it include members of the Salvation Army and similar bodies, I shall have very much pleasure in supporting it.

A good deal has been said during this debate concerning the purchase by the Government of saw-mills and timber lands in Queensland. I agree with those honorable members who have contended that not only is it desirable that Parliament should approve of the policy of such a purchase, but that when such a large sum of money is involved, it should also approve of the actual transaction. It has been suggested that the Queensland Government embarked upon the business of saw-milling without having consulted Parliament. The Queensland Government, which was returned to power in 1915, did embark upon State enterprises, such as State cattle stations, State meat shops, State saw-mills, State coal mines, &c. But they embarked upon that policy after having been returned by the people of that State, and after that policy had been submitted to the electors. It was part of the programme of the Government of which I was the head—a programme which was outlined by me at Barcaldine in 1915. It was then specifically laid down that we stood for a policy of State enterprise, and we enumerated the character of the enterprises that we intended to undertake, if we were returned to power. Having thus received a mandate from the people, we gave effect to it, and when any purchase took place the amount of such purchase was put upon the Estimates and was voted by Parliament. In regard to the recent purchase by the Commonwealth Government of saw-mills and timber lands in Queensland, I entirely agree with the policy which has been adopted. Thus far I am with the Government. At the same time I quite recognise the cogency of the arguments of those who contend that even that policy should be approved by Parliament or by the people. But, in this specific case, it appears that there are surrounding circumstances which make it desirable that

the transaction should be further investigated. I make a definite charge against the Government. I charge them with having made this purchase for a large sum of money, approximating £500,000, without making the agreement in relation to it subject to the approval of Parliament. The Minister will plead guilty to that charge, I presume. I contend that in a transaction of this kind, without having any mandate from the people of Australia, and without having a more thorough investigation into the matter, the Government may be very properly charged with a dereliction of duty. They made an agreement recently with regard to an advance to certain primary producers in Western Australia. But that agreement was made subject to the approval of Parliament, although no more money was involved in it than is involved in this transaction. Further, very serious allegations have been made by responsible members of this House, whose word we cannot doubt. They could make much more definite statements than they have made, but their own sense of scrupulousness has prevented them doing so.

Mr. BAYLEY.—They have not done so because of their lack of knowledge.

Mr. RYAN.—I am particularly referring to the statements of the honorable member for Cowper (Dr. Earle Page).

Mr. BAYLEY.—My remark applies to him also.

Mr. RYAN.—I am expressing my own opinion of that honorable member. In view of the allegation which he made—an allegation conveying as much as it did—the matter is one which should be further investigated. The suggestion that this purchase should be referred to the Public Accounts Committee, or to a Special Committee, or to the Public Works Committee is a very reasonable one. If the deal is a good one, and one which is entirely above board, it will be able to withstand the fierce light which would then be thrown upon it.

Mr. RODGERS.—Does the honorable member scruple to make a charge? If he knows of any particular reason why this transaction should be condemned, why does not he indict the Government specifically in respect of it?

Mr. RYAN.—I am basing my opinion upon the statements which have been made in this Chamber and upon the papers which have been placed before us. I occupied the position of Premier of

Queensland for a period of four and a half years, during which, it has been suggested, this property was offered to the Government of that State. I do not remember whether that is a fact or not. But the information can easily be ascertained. I am approaching this matter without using any inside knowledge which was obtained by me whilst I was Premier of Queensland. I am basing my remarks upon the information which has been placed before honorable members and upon the speeches which have been delivered from both sides of the Chamber, and I say deliberately, on all the facts, that the Government would be well advised to agree to an investigation by some independent committee.

Mr. RODGERS.—Can the honorable gentleman say, of his own personal knowledge of the facts, that this is a bad bargain for the Commonwealth Government?

Mr. RYAN.—Not from my own personal knowledge. I am not making any such charge.

Mr. RODGERS.—Or from the point of view of a State enterprise?

Mr. RYAN.—Before I pass any opinion upon the transaction as a deal, I would want to know exactly what timber lands were included, what mills, what kind of mills, and so on. I would require expert advice. I do not pretend to be an expert upon these matters, but I do claim that I have the average amount of intelligence, and can form an opinion of the transaction upon statements made in this House by one of its responsible members.

Mr. RODGERS.—If the statement made by the honorable member for Darling (Mr. Blakeley) be correct, would not a proposition like that, if submitted to the Queensland Government, have been brought under your personal notice?

Mr. RYAN.—Not necessarily.

Mr. RODGERS.—But, surely, it would have been brought under your notice as Premier before being turned down?

Mr. RYAN.—It might or might not have been. It would depend upon whether the responsible Minister thought such a proposition worthy to be entertained, and consequently to be submitted to me as Premier. Very often proposals submitted to individual Ministers are so absurd that they have no hesitation in turning them down independently of other members of Cabinet. Of course, if a purchase had been made, the matter

would probably have been one for Cabinet consideration. I have no doubt that many propositions, as in this case, made to Ministers, never reach the Prime Minister.

Mr. RODGERS.—But do you think that, as a matter of Ministerial practice, a transaction involving £150,000 for a State enterprise would be turned down without reference to the Leader of the Government?

Mr. RYAN.—It would entirely depend upon the circumstances. The matter may have been before the Cabinet. I do not carry in my head details of the hundreds of transactions of the Government of Queensland, extending over a period of four and a half years. The mere fact that I am not, from my own personal knowledge, making any charge, is evidence that I have an open mind upon this matter. I should indeed be sorry, without sufficient evidence, to make any suggestion against the Government that would damage them, or be damaging to the vendors. But I do say that sufficient has been said in this House to justify a full inquiry into this transaction. We have been told that a certain letter is missing.

Mr. RODGERS.—And the honorable member has been told that it is not missing. I specifically deny the charge of the honorable member for Cowper (Dr. Earle Page) that any letter or document is missing from the departmental file.

Mr. RYAN.—Well, I am sure the honorable member for Cowper would not make a statement like that without ample warrant. He is not that type of man. Unless he had some sound reason for believing that a certain letter was in existence and was not now on the file, he would not have made a statement.

Mr. RODGERS.—Probably, like many honorable members, the honorable member for Cowper has been misinformed by outsiders.

Mr. RYAN.—All this goes to show the necessity for an investigation. The honorable member for Cowper also said that Mr. Brett was appointed to value Mr. Lahey's property.

Mr. RODGERS.—On behalf of the Department I deny absolutely that the purchase of Lahey's property was made on Brett's valuation.

Mr. RYAN.—But he did value it.

Mr. RODGERS.—Subsequently reference may have been made to him. I will deal with that when I am speaking.

Mr. RYAN.—What was Brett's valuation, more or less? This is very important.

Mr. RODGERS.—You go ahead.

Mr. RYAN.—If the Minister wants to start an argument while I am speaking, I am entitled to ask for information.

Sir ROBERT BEST.—We all want a lot of information, and are waiting for it.

Mr. RYAN.—Quite so, and I am pointing out the reasonableness of a request to have this transaction referred to the Public Accounts Committee for investigation. If the business is entirely above-board, honorable members ought to be glad of an opportunity for an inquiry, to show that there is nothing in the transaction that cannot be made public.

Mr. MAXWELL.—But first we will hear what the Minister has to say.

Mr. RYAN.—Can the honorable member for Fawcner advance any reason why the transaction should not be submitted to the Public Accounts Committee?

Mr. MAXWELL.—At present I see no reason why it should be, and the honorable member has not shown why it should be.

Mr. RYAN.—I am endeavouring to point out that, concerning this transaction, there are certain circumstances that justify the fullest investigation.

Mr. MAXWELL.—Those circumstances have only been hinted at.

Mr. RYAN.—No. A definite statement has been made by the honorable member for Cowper (Dr. Earle Page). It does not appear that opportunity was given to other saw-millers in Queensland to make their business enterprises available for sale to the Government. I know of one saw-miller in the Maryborough district, represented by the honorable member for Wide Bay (Mr. Corser), who, during my term as Premier of Queensland, was quite willing to sell his enterprise to the Queensland Government, and he may have been willing to sell to the Commonwealth Government.

Mr. BAYLEY.—The Minister was informed by the best experts of the Queensland State Forestry Department that there were only two propositions in Queensland—Brett's and Lahey's—that

could supply the Commissioner with the timber he wanted.

Mr. RYAN.—All these statements, I repeat, are properly a matter for investigation by some independent committee.

Mr. BAYLEY.—If honorable members had investigated the circumstances of the transaction they would not have made such rash statements.

Mr. RYAN.—Then, by all means let us have an investigation. When a definite challenge was made against the Queensland Government—the honorable member will recollect the incident—with regard to the purchase of the Wando Vale Station, I immediately acceded to the request for a Royal Commission. An investigation was made, and, as a result, it was found there was no foundation for certain allegations that had been made.

Mr. MAXWELL.—Could not that have been shown without the appointment of a Royal Commission?

Mr. RYAN.—Yes. I could have stated the facts, but I wanted to show that we, as a Government, were prepared for an inquiry by a Royal Commission. The public have a right to expect that light shall be thrown upon some Government transactions, and, in this case, I hope the Government will accede to the request. If they do not, then it may become necessary for Parliament to consider taking action to deal effectively with all such matters. I will do all I can to assist any honorable member to have done what we think ought to be done.

Sir JOSEPH COOK.—That is quite an unnecessary statement to make.

Mr. RYAN.—Well, it may be just as well to remind the right honorable the Treasurer (Sir Joseph Cook) that I am prepared to support any move in the direction of making the will of Parliament supreme.

I am glad to know that the insurance business carried on by the Commissioner will be much more reasonable—I like the word “reasonable” rather than “cheap”—for the owners of houses than private insurance. In this respect I wish to point out that the Queensland State insurance business—I refer to it because it was mentioned by the honorable member for Wide Bay—has been most satisfactory in every respect. Insurance and banking are essentially businesses that may be undertaken by the State.

Mr. AUSTIN CHAPMAN.—The Treasurer has promised to introduce a Commonwealth Insurance Bill this session.

Mr. RYAN.—The honorable member will find that the Treasurer is not likely to introduce anything that will clash with the interests of his supporters outside. When we established an insurance scheme in connexion with workers' compensation legislation in Queensland, we increased the advantages to injured workers by 75 per cent., without any addition to premiums, the weekly payments to injured workers being advanced from £1 to £2 per week, the amount payable at death from £400 to £600, and for total incapacity from £400 to £750, while the amount of compensation paid to those suffering from industrial diseases, such as miners' phthisis, was fixed at £1 per week with medical comforts, and, at death, £400. We honoured these claims whether the premiums were paid or not, and on our first year's transactions, showed a profit of £52,000, or exactly £1,000 per week. Since then, the insurance business has been even more successful. The Queensland Government have been able to pay bonuses to their premium payers, and to relieve them of the payment of insurance for a certain period in connexion with domestic service. I give these facts to show how desirable it is that the Government should, as far as possible, extend State enterprise in the direction of insurance. I am glad to hear the honorable member for Lilley (Mr. Mackay) admit that the Queensland State insurance scheme has been so successful, and worthy of commendation, and I remind him and others that although they now make this admission, no measure passed by the Queensland Government was received with greater opposition from the big capitalistic interests and insurance companies than the Bill providing for State insurance in Queensland.

Sitting suspended from 6.30 to 8 p.m.

Mr. WEST (East Sydney) [8.0]—I look upon this measure as one of the most important with which Parliament can deal. It has been introduced in an endeavour to relieve conditions which exist not only in the Commonwealth, but throughout the whole world. If there is one question of more importance than another to which a Parliament can devote its attention, it is that of providing homes for the people. I am not one of those

honorable members who are likely to find fault with the Government for launching out in a proposal of this character, as I believe it will be the means not only of alleviating discontent, but of making the conditions of the Australian people better than they are to-day. From time to time various schemes have been suggested by philanthropists and others for relieving this burning question, and attempts have been made to meet the situation by accommodating families in flats. A witness giving evidence in New South Wales said that flats were "the creation of the devil" because they were unsuitable for accommodating a man with a wife and family. I have heard honorable members on the other side almost lose their common sense, and go beyond the realm of reason, in advocating a policy of immigration; but whatever may be said in favour of such a policy, we have to remember that at the present time it is impossible to house the people we have here. It is, therefore, the duty of the Government to utilize every means at their disposal for increasing the number of houses in the Commonwealth.

The present position has arisen largely in consequence of the enormous increases that have occurred in the price of land and building material. We know that many honorable members on the other side are not only landlords, but they also have large sums out on mortgage, and naturally feel that an increase in the number of houses will be the means of depreciating values. At present there is land within a few miles of Melbourne and Sydney that has never been occupied, and it is time it was compulsorily acquired, at, say, 10 per cent. above the price at which it is valued for taxation purposes. It is ridiculous for an allotment, say, 30 feet by 80 feet to be sold at £10 a foot, because when the land is built on it is practically impossible for the person building to ever become the owner of the property. Power is given in this Bill to enable an applicant to receive an advance of £800 instead of £700, as is provided in the original measure, and the proposal is one that should commend itself to honorable members.

Recently I had an opportunity of inspecting some of the buildings erected by the War Service Homes Commissioner, and I have no hesitation in saying that some of them should not be given a clean bill of health, as many of the cottages are not sufficiently high to

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enable them to be properly ventilated; but when it is remembered that every additional foot in height adds £40 or £45 to the cost, it is easy to see why the height is being restricted. The domestic portions of the dwellings are not sufficiently large to enable the work to be done in comfort, and a little additional expenditure would not only provide more conveniences and greater comfort, but would be the means of increasing the value of the property, and making it a much better asset. In many cases, the properties now held by returned soldiers will not be sufficiently large in four or five years' time, when their families increase and the holders will be compelled to sell and purchase more commodious dwellings. In view of these circumstances it is very necessary that the asset should be a good one, and the Department should erect dwellings to meet the requirements of occupiers for some years to come. On the general question of social reform, reference is frequently made to prohibition, and I am prepared to assert that if certain people were to devote their energies to providing better accommodation for the people, they would be conferring a benefit on the present and future generation, and could afford to leave the drink question entirely alone. I know that whatever I have to say will not influence the Government to any extent, but they should endeavour to see that every house constructed is not only a valuable asset to the purchaser, but that the payments are such that the expenses incurred will not be a tax on the community.

During the debate certain statements have been made that are calculated to create suspicion in the mind of honorable members; but that is generally the case when an attempt is made to deal with important questions in a business-like way. Derogatory statements were made some time ago when a Commission was inquiring into certain land purchases, and during the life of Liberal Governments there has also been trouble in connexion with the wheat and coal contracts. I am not accusing the Minister for Repatriation (Senator Millen) of any irregularities; but I think that those associated with him are responsible for some of the trouble. It is pleasing to those who are at present on this side of the House to realize that during the three years a Labour Government was in office they carried out their work in

a business-like manner, and left office with a clean sheet. I hope it will be shown that, so far as the purchase of saw-mills and timber areas in Queensland is concerned, nothing worse than a mistake has been made by the Ministry. They are led into mistakes by their friends. The Liberal party, when in office, work like Trojans for their friends. I do not know whether it is because of monetary assistance which they have received at their hands, or merely due to personal considerations, but they certainly do all they can for them. I do not wish to learn their secrets, but, having resided in Sydney for forty-seven years, I am acquainted with most business people there and, knowing how keen they are, I can pretty well guess what has happened.

MR. SPEAKER (Hon. Sir Elliot Johnson).—Order! Will the honorable member connect his remarks with the question before the Chair.

MR. WEST.—My observations have to do with the supply of timber for building War Service Homes.

I hope that the Government will not be parsimonious in dealing with applications for War Service Homes. I know of men who, on volunteering, were advised to present themselves at the Navy Office, since, as certificated engineers, they would be able to do more valuable service in the Navy than they could render in the Army. They adopted this suggestion, and served for two years on "tramps" which were running a blockade. The ships were commandeered, and they were put on the ships' articles, and ultimately received their discharge as marine engineers. They did not pass through the Navy Department, and that being so, they are told that they do not come within the provisions of the War Service Homes Act. There are some hundreds of such men.

MR. MARR.—I think they are covered by this Bill.

MR. WEST.—As a Ministerial supporter the honorable member may have opportunities that I do not secure. My friends are suffering, and I must bring their case before the House. Provision should be made for such cases. The Government cannot go wrong in providing homes for the masses of the people. If I were the Minister in charge of this Department I would resume land within a few miles of Melbourne and Sydney and proceed to erect houses on a very large scale. Travelling between Melbourne and Sydney, I see, within 10 miles of

each city, large areas of unoccupied land on which homes might well be erected. Owing to the lack of housing accommodation many people are practically stranded. Where two families are crowded into a four-roomed house it is impossible for children to be reared under reasonably healthy and moral conditions. If the Labour party came into power it would bring about a change of affairs in this regard, and push ahead with the building of homes in a way that would astound the people of Australia.

I desire to bring the Government to a sense of their responsibility in regard to the housing of the people. Many people offer as much as £10 for the key of a house to let. In the electorate of Parkes, quite recently, an agent stood on a box outside an empty house and invited bids for the key. The bids ran from £1 to £6, at which price the key was handed over to a man who, something like three weeks later, got notice to quit because the agent knew that he would be able again to sell the key for £6 or more. That sort of thing is occurring in all our big cities. The scope of this Bill should be so enlarged as to enable us to relieve the congestion, and so remove a serious cause of discontent. Ministerial supporters, I am sure, sympathize with such a proposal, but will do nothing to carry it into effect. I defy them to show that I am not voicing a most serious abuse.

While I believe that there is room for more people in Australia, I think that the Government, before encouraging immigration, should make some attempt to properly house our present population. If the Bill were broadened on the lines I have suggested, it would meet some thousands of cases for which provision has not been made. It would include wireless operators, men who were on service on our own coast during the war, as well as officers and seamen of our mercantile marine. The latter class discharged duties quite as necessary as those carried out by the men who served our guns. They carried food supplies and munitions of war, and their claims for recognition under this Bill ought to be indorsed. The Honorary Minister (Mr. Rodgers) is new to his job, and has a chance to make himself a hero in his own country by materially broadening the scope of this measure. If I were in his position I should insist upon the Cabinet adopting a wide

housing scheme policy, failing which I would denounce my colleagues. The time has come when the men on the Government benches must assert themselves. I hope that this Bill will be so amended that it may be truly called a Housing Bill. I shall offer no opposition to it, but when we go into Committee I shall submit amendments designed to make it of some real use to the citizens of Australia.

Mr. BLUNDELL (Adelaide) [8.26].—

Before the Honorary Minister (Mr. Rodgers) replies to the debate I desire to direct his attention to one or two matters of very great importance. In the first place, I call attention to the unsatisfactory situation in South Australia in regard to the building of War Service Homes. Honorable members will recollect that some time ago I brought before the House the overlapping of State and Commonwealth functions in connexion with this work in South Australia. The Commonwealth to-day has practically ceased building operations there. It is not building any homes except those for which contracts have been entered into. The State authorities also decided recently not to carry on the functions for which the State Act provides, and they have ceased building. Owing to an unfortunate difference of opinion between the Commonwealth and State Governments, the building of soldiers' homes in South Australia has practically ceased. It should be possible to overcome the difficulty in a way satisfactory to both the Commonwealth and the State instead of allowing our returned soldiers to suffer. Let me give a case in point. I recently brought under the notice of the Department the case of a returned man who some months ago made application to the Commonwealth War Service Homes Commissioner to erect a house for him. He arranged to get the land, and there was a mortgage on it in the name of the War Service Homes Department. The Department, however, will not build a house for him, nor can he obtain permission from it to have a house built for him on this land by some outside person. The Adelaide branch of the Department informed me that it was doing nothing in the matter. This man's case is one of many, and while the Commonwealth and State Governments are quarrelling as to

who shall carry on these functions, the unfortunate man cannot get a home for himself.

Mr. RILEY.—Has he got the land?

Mr. BLUNDELL.—Yes; and the War Service Homes Department has a mortgage over it. The Department refuses to lift the mortgage, and this man is in the unhappy position that he can get nothing done by either the State or the Commonwealth Government.

This difficulty also affects the case of many blind soldiers who have been expecting that houses would be built for them. They find that there is nothing doing. The officials of the War Service Homes Department in South Australia say that they can do nothing for them until they get instructions from Melbourne to go ahead with the work. Such an unsatisfactory state of affairs should be brought to a termination as quickly as possible. I ask the Minister to give his particular attention to this difficulty. If the State Government of South Australia are going out of this business, then the Commonwealth should take it up. Let me say that if the State Government go out of the business the returned soldier who is applying for a War Service Home to-day will be placed at a very great disadvantage, because the terms offered by the State Government have been far more liberal than those offered by the Commonwealth. Under the State Act a soldier is free of all rates and taxes for five years.

Mr. WEST.—Would he not have to pay municipal rates?

Mr. BLUNDELL.—He is called upon to pay neither municipal nor water rates. Men who came back early from the Front, and got in their applications before the unfortunate dispute between the Governments took place, had an advantage over men making their applications to-day, because they secured homes built by the State Government on the more liberal terms offered under the State Act.

There is another matter to which I should like to draw attention. A returned man taking one of the War Service Homes to-day is charged a minimum rental of about 17s. 6d. per week, in addition to which, of course, he has to pay rates and taxes. Under the State Department the returned soldier pays

only 13s. 6d., and secures freedom from the payment of rates and taxes for five years. It is true that under the Commonwealth Act the soldier can redeem his liability sooner than he can do so under the State Act. I wish to impress upon the Minister the desirability of extending the time for payment under the Commonwealth Act, and permitting the returned soldier to secure a home on a smaller weekly payment. Honorable members must know that a married man with an average family must regard a weekly payment of 17s. 6d. as a considerable drag upon his income.

Mr. RILEY.—That is a moderate rent in New South Wales.

Mr. BLUNDELL.—It is a moderate rent in comparison to the rents which have to be paid by men who have not the advantage of the terms offered to returned soldiers; but I suggest that the terms might be made still easier for the returned soldiers, by enabling them to pay smaller weekly payments over an extended period. That would be a very great advantage to men having large families, and it would be greatly appreciated by them.

Honorable members have urged the Minister to extend the scope of the Act to include men who are to-day excluded from its operation. I wish to add one more to the list of persons to whom it is suggested that the Act shall apply. I make an appeal to the Minister for the inclusion amongst those eligible to benefits under the Act of men who, during the war, were taken into camp after medical examination, gave their services, but were rejected at the final medical examination prior to embarkation. Every honorable member of the House probably knows of hundreds of men who were in this position, and failed to pass the final medical test before embarkation. A considerable percentage of such men lost their employment because at first they were accepted for service, and went into camp.

Mr. MAXWELL.—Did not those men enlist?

Mr. BLUNDELL.—Yes, they enlisted.

Mr. MAXWELL.—Then they are provided for by the new definition of "Australian soldier" in the Bill now before the House.

Mr. BLUNDELL.—They offered their services, were accepted, and spent some time in camp; but were finally rejected on a medical examination.

Mr. MAXWELL.—Under the definition of "Australian soldier" as proposed to be amended by this Bill, in paragraph a of clause 2 there will be included any member of the Naval or Military Forces of Australia "enlisted or appointed for" or employed on active service.

Mr. BLUNDELL.—I hope the honorable member is right; but I ask the Minister in charge of the Bill to make quite sure on the point. The honorable member for Fawkner (Mr. Maxwell) is a lawyer, and I am prepared to accept his interpretation of the effect of clause 2. It did not appear to me that provision was made by this Bill for the inclusion of the men to whom I have referred, and if they are included under it I must apologize to the House for having overlooked the matter.

I recognise that the Bill is one that can be best considered in Committee; but before resuming my seat I wish to impress again upon the Minister in charge of the measure the absolute necessity of putting an end to the chaotic state of affairs existing at present in South Australia. It is not fair to the returned soldiers that they should be prevented from obtaining homes because of differences existing between the State and Commonwealth Governments.

Mr. RODGERS (Wannon—Honorary Minister) [8.39].—This Bill may be regarded as a further instalment in discharge of the Nation's obligations to its Fighting Forces. I personally appreciate the spirit in which honorable members have addressed themselves to the principles of the measure and to the general administration of the War Service Homes Department. Whatever shade of political thought we may adopt in normal times, we have all to recognise that this is a State obligation, and in so far as the Government are charged with the fulfilment of a definite, solemn, and binding obligation, we can all afford to put aside our predilections of peace-time politics in order to marshal the resources of the State in the discharge of its obligations. That is the spirit in which Australia faced her war obligations, and it must be the spirit in which she shall face the discharge of her obligations to her defenders. Whilst

in time of peace, in dealing with the relations of citizens to one another, one might hesitate to employ the resources of the State in the normal conduct of trade, commerce, and production, and the affairs of the people, where it is a question of the discharge of the obligations of the State to its soldiers I am prepared to use the resources of the State, if need be, to their limit.

Reference has been made by the Leader of the Opposition (Mr. Tudor) and by many honorable members who sit with him, to the advantages to be gained by State insurance as applied to a scheme of this kind. I admit those advantages, because the asset in connexion with which the State undertakes insurance is its own. It does not need to set aside capital that will not be earning anything. It does not need to employ a staff to get business, collect premiums, issue policies of insurance, and, generally, to engage in the competition associated with ordinary commercial insurance. In so far as it is a proposal for protecting the State's own property, the principle of State insurance has a great deal to commend it.

I take even a wider view of the necessities of the present situation. It is that view which is responsible for the Government embarking upon a venture which has been very much discussed during the debate on this Bill, namely, the purchase of timber areas and sawmills in Queensland. My feeling personally is that the State Governments, when they joined in consultation with the Commonwealth Government to consider the best means by which to discharge their obligations in the matter of land settlement and housing schemes for the benefit of returned soldiers, should have placed at the disposal of the Commonwealth their great reserves of timber supplies. It is, in my judgment, a rather lamentable condition of affairs when we find a State Government actually raising the royalties against returned soldiers until they reach a maximum of 25s. per 100 super. feet for soft woods. If that is the spirit in which they are to approach the settlement of a business of this description, I say that, in this respect, whatever may be necessary in order to insure that sound homes of good commercial value may be built for our returned soldiers, I am prepared, along with my colleagues in the Ministry, to fully share all the responsibility of seeing that the whole material necessary for the

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erection of those homes shall be secured on a reasonable basis.

When the contract which has been referred to was entered into, what was the position? The Commonwealth, in its attempt to build homes for returned soldiers, was daily in competition with the general public for building material on a colossal scale. We were competing in a sensitive market and were raising prices against ourselves and against the general community, whilst we were lessening the supplies available. We had, under the original Act, limited the cost of a home to £700, but there was no limit to the rising values of the materials required. Whilst it is their prerogative to discuss and debate the *bona fides* of the Government in entering into a transaction of this description, it is at the same time the bounden duty of honorable members to face the question of repatriation in a reasonable spirit and with a proper recognition of their obligation to the House, the country, and the returned soldier. Honorable members must face the facts as they existed at the time the deal was made. To me the position is quite different from an ordinary transaction which has been entered into without the cognisance of Parliament. We definitely decided in this House to undertake the building of homes for soldiers, passed the necessary measure, and appointed a Commissioner to administer it, so that there might be no political consideration either in the erection of houses or in the acquisition of material for the purpose. We charged the Commissioner with definite duties, and, beyond limiting his authority to expend money in certain directions to £5,000, told him to go ahead and build homes for the soldiers.

Sir ROBERT BEST.—What was the object of limiting his authority?

Mr. RODGERS.—His authority was limited in regard to the acquisition of land.

Sir ROBERT BEST.—But what was the real purpose of that limitation?

Mr. RODGERS.—Possibly so that every transaction should come under the cognisance of the Minister.

Sir ROBERT BEST.—Hear, hear!

Mr. RODGERS.—But that does not necessitate the Minister having to bring every proposition involving over £5,000 to the House for approval. At what

point is Ministerial responsibility to begin or end? At £5,000, £10,000, £50,000, or £500,000?

Sir ROBERT BEST.—Or £5,500,000?

Mr. RODGERS.—I do not say that it might not have been more prudent when the House was sitting for the Minister to have come before it and asked for its approval of the proposition.

Mr. STEWART.—You admit that the action of the Government was wrong?

Mr. RODGERS.—One moment. I think I have been fairly patient, and honorable members have had their opportunity to speak. I ask men of sound commercial judgment what owner of a proposition would give an option which meant the disclosure of the whole of his business, and all the necessary details of it, to this House to be torn about in a wrangling debate of this description, and possibly have it turned down? I do not think that would be a business-like procedure.

Sir ROBERT BEST.—It is done every day. Contracts have been made subject to confirmation.

Mr. RODGERS.—Can the honorable member tell me one that has been treated in that way in this House?

Sir ROBERT BEST.—Yes; there was the recent agreement with the Western Australian Co-operative Company.

Mr. RODGERS.—The Western Australian Company came forward with a request for an advance for the building of silos—quite a different matter from a proposal to sell silos to the Government.

Leaving that question, I will deal now with the Queensland purchase in the light of the charges, if they may so be termed, made against the Government in this House. I defy any honorable member to say where a definite charge has been made, either that the price paid was excessive or that the timber is not accessible, or that the Government did not take reasonable measures to inform themselves with regard to the magnitude of the purchase or as to what they were getting, or that they did not adopt ordinary business methods and inquire into the venture. If any charge has been made against the Government it has come, at a very late hour in the debate, from the honorable member for West Sydney (Mr. Ryan), who says that, because a purchase of great magnitude has been entered into without the sanction of Parliament, it is a dereliction of duty on the part of the Govern-

ment. The question of whether the Government have exceeded their duty in entering into this contract must be governed by the wording of the authority given in the principal Act. Honorable members may hold different opinions, but there is a distinction between this transaction and a contract, the authority to make which has never been given by Parliament. I might cite cases where Parliament has had no cognisance of contracts entered into, and, for which no authority has been given, but in this case there was a clear direction given by the House to the War Service Homes Commissioner, under which £1,000,000 had already been expended in the purchase of material for the building of houses. I am somewhat at a disadvantage in dealing with this matter, as the Minister for Repatriation (Senator E. D. Millen), who has been personally administering the Department, has conducted these negotiations, but I am authorized by him to give an emphatic denial to the statement that any part of the purchase of Lahey's property was made on the sole recommendation of Mr. Brett. As honorable members know, there were two propositions in Queensland—one owned by Mr. Lahey and one owned by Mr. Brett. The Lahey property comprised 10,000 acres of freehold land and two small areas occupied by the mill, office, and so forth. It was a going concern with its railway sidings, tramways, locomotives, rolling-stock, bullock teams, waggons, and so forth, and the Minister took the necessary steps to have it inquired into by appointing Mr. McDaniel, a keen business man and an expert attached to the Queensland Pine Company, to make a complete estimate of the timber upon the area, its accessibility, the output of the mills, and the rolling-stock and plant. The Department's own officer, Mr. Bradshaw, afterwards proceeded to the property to overhaul Mr. MacIntosh's report, but in addition the Minister also thought it advisable to get what might be termed a check valuation, and therefore made a general reference of the proposition to Mr. Brett. Honorable members have suggested, of course, that Mr. Brett's valuation, because he also had a proposition to sell, would be higher than that of Mr. McDaniel's, but actually the reverse has proved to be the case, because Mr. McDaniel's valuation is the higher. The Brett property comprised

10,057 acres of freehold, and the timber rights over another 7,380 acres, as well as three saw-milling plants. Again estimates were made of its timber bearing capabilities by Mr. A. G. S. Lawrence, a timber expert from the firm of MacIntosh Brothers, and he was supported and assisted by Mr. Twine, the District Forestry Officer. Mr. Bradshaw also overhauled this proposition. In both cases the price paid was considerably less than the vendors' offers. The Minister adopted the ordinary business methods. He looked around for the shrewdest and best business men he could find, and also specially sent up his own officers to check the reports and estimates of both valuers. The statement of the honorable member for Cowper (Dr. Earle Page) the other night, that Lahey's proposition was bought on the valuation of Mr. Brett, while withholding the fact that the purchase was made on the valuation of Mr. McDaniel, is not the sort of criticism one would expect from a gentleman who ought to be assisting the House to a thorough understanding of a situation. The honorable member also stated that a material document was missing. I deny it. There is no letter or document missing. The complete file of the negotiations for the purchase of those properties are on record and at the disposal of honorable members.

Mr. MAXWELL.—Is there any foundation for the statement that there is a missing document?

Mr. RODGERS.—I know of none whatever, nor have I been able to detect anything that would give colour to or justification for such a statement. I invite honorable members to inspect the file which I shall place at their disposal.

Sir ROBERT BEST.—Are the valuations in excess of the price paid.

Mr. RODGERS.—Yes, substantially. Time alone can prove whether the price paid is the actual intrinsic value of what has been purchased.

This afternoon the honorable member for Darling (Mr. Blakeley) made the astonishing statement that Mr. Lahey's property had been submitted to the Queensland Government four years ago at a price of £150,000, and that all the available timber had been cut out of it at the rate of 8,000 super feet per annum, and that the balance would be of no use to the soldiers or the Government, or any one, as an aeroplane would be required to get at it. All I can say in reply to the

honorable member's statement is that the Repatriation Department have no knowledge of any such offer having been made to or rejected by the Queensland Government. When the Deputy Leader of the Opposition (Mr. Ryan) was speaking, I put the question to him as to whether, when he was Premier of Queensland, he knew anything about a £150,000 proposition having been submitted to him, but he knew nothing of it.

Mr. McGRATH.—He said that the offer might have been made.

Mr. RODGERS.—If the honorable member had had a £150,000 proposition submitted to him it would not have gone so quickly from his mind, when, on a debate of this description, he had a chance of doing what he so often has desired to do, namely, to outflank the Ministry. Perhaps the best answer to the statement of the honorable member for Darling is that, whether the purchase be good or not, the mills are being run to-day temporarily by one of the best experts in Queensland, who guarantees to the War Service Homes Commissioner that out of this very "inaccessible" timber, the purchase of which is said to be such a bad deal for this country, he will supply hardwood at 32s. per 100 super. feet, whereas the present Brisbane price from the mills is 39s., and weatherboard at 30s. per 100 super. feet as against the market value of 42s.

Sir ROBERT BEST.—Is that an estimate or a guarantee?

Mr. RODGERS.—It is an actual guarantee. These are the prices agreed upon.

Sir ROBERT BEST.—By whom?

Mr. RODGERS.—By Mr. Brett, who is running the mills to-day.

Sir ROBERT BEST.—But that is no guarantee.

Mr. RODGERS.—Surely Mr. Brett's reputation in Queensland can be taken as being a little more than a mere byword? At any rate, what he guarantees to do counters the view that the honorable member for Darling has put forward, that these timbers are so far distant that they cannot be reached except by the use of aeroplanes, and although these figures may not be subject to a guarantee running over a number of years they afford some proof that this is not a wild cat proposition.

Mr. MAXWELL.—The guarantee is no part of the contract.

Mr. RODGERS. — It is not, but the mills are being operated. I assure the honorable member for Kooyong (Sir Robert Best) that I am giving the facts, as I know them, to the House for what they are worth. The honorable member is putting his own construction on Mr. Brett's undertaking.

Mr. CORSER.—Mr. Brett has had a life-long experience of timber.

Mr. RODGERS.—Of course, and he is a man of high standing in the timber world. It has been suggested here that, on the mere *ipse dixit* of a member or two, who have thrown some doubt or suspicion on this contract, but who can make no definite charge whatever in regard to it, the Government ought to hasten to appoint a Royal Commission or some similar body. I invite any honorable member who has first-hand knowledge, or who can get it, in connexion with this proposition, to bring it to the House or to me personally. I will undertake to give it the most searching investigation, and the House will be made aware of any facts that can be brought to light. The way is open for honorable members to take that course, but it must not be expected that on mere rambling and doubtful statements, making no definite charge, and in no respect showing that the Government is responsible for an error of judgment, we should hasten to appoint a Royal Commission, or submit this matter to some other body.

Mr. RICHARD FOSTER.—Can the Minister tell the House the estimated value of that purchase as against the open market price?

Mr. RODGERS.—No, I have not taken it out in the aggregate on to-day's market prices, but that is easily reckoned up from the ruling rates. I have available a schedule showing the whole of the rates ruling to-day for hardwood, iron, lime, cement, and all other materials necessary for the building of soldiers' homes. While the contract insures the Government a supply for a number of years, and the Government anticipates being able to get out for the first eighteen months at the rate of about 12,000,000 super. feet of pine and 6,000,000 super. feet of hardwood, the output of the mills can afterwards be increased to 18,000,000 super. feet.

In order that the House may be better able to appreciate the difficulties that confront the Government in carrying through the war service homes problem, I may state that up to the 6th September there were 1,332 homes built, and 2,735 in course of construction; contracts were let for 261, and tenders were under consideration for 79, or a total of 4,407 proposals dealt with. The applications received up to the 31st July totalled 27,000. With 4,407 only dealt with up to date, there remains a gigantic problem still to be faced and dealt with so far as material is concerned. That is no light matter. If to-day we find the market so much against the soldier, while Parliament limits the Commission and the Minister to a definite expenditure for homes, how are the Government and the Minister reasonably to face the position if their hands are to be tied in every respect? I have been one who claimed very stoutly for this Parliament the control of the public purse.

Mr. STEWART.—You are not doing it now.

Mr. RODGERS.—But I have also to recognise that Parliament, including the honorable member, deliberately said, "Here is a grant of millions, appropriated in the Estimates and passed. Let the Commission go ahead and build homes; we will not always be sitting, and there may be many months of the year in which you cannot refer to us directly." Honorable members on both sides of the House know that soldiers' claims and requests for the building of homes are pressing and incessant. I am not going to say that it is a wise policy to give to individual Ministers or to the Commission the right to spend *ad libitum*. If Parliament happened to be sitting, and the proposition faced me, I should be delighted to have Parliament's opinion on it; but this is a matter in respect of which I ask the House to believe that the Minister acted in good faith, in the very best interests of the soldiers, after taking what I claim to be reasonable precautions to have the proposition overhauled before he finalized the deal.

Mr. MAXWELL.—Is there any reason to believe that it is not a sound business proposition?

Mr. RODGERS.—From the investigations I have made, I have no reason whatever to believe so. On the contrary, Parliament by this measure is enlarging the scope of the War Service Homes scheme, and bringing in many new beneficiaries. The problem of getting material, therefore, becomes more acute every day. Prices have gone up, and each of the State Governments controlling forest areas has raised the royalty. Their method, instead of directly raising it themselves, is to offer concessions for competition from time to time, and up goes the royalty. We find ourselves in daily competition for limited supplies. The Leader of the Opposition (Mr. Tudor) says that that state of things is not confined to timber alone, and I have some sympathy with that statement. The grave responsibility faces this House of deciding to what extent it will allow its obligations to the soldiers to be discharged in this highly competitive market, where partial supplies alone are available. I regret that it has not been my personal province to have a closer association with these negotiations, for I should then have been in a better position to inform honorable members of the true merits of the case. I hope they will remember that at about two minutes' notice it fell to my lot to take charge of this measure. Within the time at my disposal I have endeavoured, for the benefit of honorable members, to get together such information as I thought necessary to enable them to form a sound judgment upon the proposition.

Mr. LAIRD SMITH.—You might mention the provision that has been made for a sinking fund.

Mr. RODGERS. — The honorable member for Dampier (Mr. Gregory) indicated that in this proposition the Government had altogether overlooked the question of interest on the capital involved, although in the costing system of timber that was always taken into account. If any Government, or Government officials, were responsible for such an oversight, their authority should be very quickly lessened, but I assure honorable members that full and complete provision is made for interest on the capital in the sinking fund itself.

Mr. WEST.—When you take the timber off the land it shrinks the value of the land.

Mr. RODGERS.—Provision has been made for that in the sinking fund. The whole matter has been carefully investigated actuarially.

Honorable members on this side have expressed objection to the transaction, because it means another State enterprise and a new Socialistic scheme. That is not so. This is a purchase made for the fulfilment of the obligations in connexion with War Service Homes. When these needs are met, the Government will have in its hands the residuum in the shape of the timber left on the areas, plant and rolling-stock, which will be liquidated in the ordinary way, and also the land, and the whole thing will be closed up. The proposition will, therefore, not form the subject of a new State enterprise. After all, there is not such a tremendous difference, as the Minister pointed out, between buying timber in the round, or in logs, or sawn, and buying standing timber and the tools with which to cut it down and saw it up, thus making sure that the price will not rise against the soldier and the Government from time to time. Honorable members on this side need have very little concern about the undertaking, viewed from the stand-point of State Socialism. As the honorable member for Batman (Mr. Brennan) says, there is not much need to fear it as a Socialistic enterprise.

Mr. RICHARD FOSTER.—Have you had the quantities, as estimated by timber experts, checked by a public actuary?

Mr. RODGERS.—Yes, the whole thing has been actuarially investigated. In addition to having experts estimating the quantities, we have had the Departmental officer up there checking their calculations and examining the whole proposition.

Mr. MAXWELL.—Is there any warrant for the suggestion of the honorable member for Cowper (Dr. Earle Page), that the Department will not be able to keep up the output?

Mr. RODGERS.—I think not. It may be that as we bite into the forest we shall have to extend our tram-lines and other utilities to get at the timber which is not so readily accessible.

Mr. CORSER.—Senator E. D. Millen told me that they did not reckon the

land as an asset when purchasing, but looked on it as a reserve.

Mr. RODGERS.—I thought the whole proposition had been taken into account; but the Minister may consider the deal as so satisfactory from the point of view of the timber alone that he regards the land as a sort of bargain to the Commonwealth.

Honorable members have treated this measure very much as if it were in the Committee stage. Each of them has outlined what he considers the shortcomings of the existing Act, and has given detailed criticisms of the Bill, with suggestions for alterations or additions to it. I propose briefly to deal with the points raised in this way, in order to shorten the subsequent debate in Committee. The Leader of the Opposition (Mr. Tudor) was good enough to hand me specific proposals by the limbless and permanently incapacitated returned soldiers for inclusion in the measure. If I gather its temper aright, the whole House seems to be in sympathy with the honorable member's suggestion. I believe that, without any further alteration of the Act, machinery is available for giving effect to what I take to be the general wish of the House, because section 47 of the principal Act provides—

The Commissioner may, if requested so to do by any prescribed authority of the Department of Repatriation, provide a dwelling-house for the use of any totally and permanently incapacitated Australian soldier.

Recently the provision made for that class of unfortunate sufferer from the war was reviewed, and the allowance increased from about £2 to £4 per week, with 18s. 6d. for the wife, 10s. for the first child, 7s. 6d. for the second, and 5s. for the third. The War Service Homes Commissioner is given very definite instructions in the Bill as to whom he can help, and how he can help them. He may have a somewhat wide individual discretion with regard to the purchase of material; but the beneficiaries under the Act are specifically enumerated, and the amount of the benefits receivable by them is fixed. I propose, however, to suggest to the Minister and the Repatriation Commissioner that the cases under review may be dealt with by the Commissioner under section 47 of the Act. It may involve a reduction of the increased advance so as to put it on a sound business footing. This is the business branch of repatriation. The building of homes is inseparable

from the maintenance of the national asset at an unvarying mark. It is competent for the Repatriation Commissioners to approach the Housing Commissioner, and to say, "In lieu of the increased provision recently made for the totally incapacitated and the limbless, we desire that the present pension allowance be slightly reduced and that, to balance the reduction, you shall provide a permanent home for these men." The test to which the Commissioner has to submit the ordinary applicant consists in that he must be satisfied that the latter has reasonable prospects of paying his instalments and wiping off his debt, and, up to the present, the experience of the Commissioner has been very satisfactory. At the earliest opportunity I shall consult the Minister (Senator E. D. Milien) and the members of the Commission, with a view to making provision whereby a totally incapacitated man may secure a home if he is prepared to abate, to some slight degree, the sum of his pension.

With respect to the question of deposits being required, neither the Act nor this amending measure requires any applicant to make any deposit. Those who are eligible to make application comprise every member of the Australian Imperial Force, together with those persons additionally referred to in the Bill. So, in the case of youths who had enlisted for service abroad, and who had served in whatever capacity, they are, subject to the tests ordinarily imposed, eligible to benefit under the scheme. The tests consist of such questions as, "Are you married?" "Are you about to be married?" "Have you reasonable prospects of being able to carry through your obligation in respect of securing a home?" and "Is your employment, or your position, or your temperament of such a character that one may reasonably expect you to stand up to your obligations?"

The matter of the eligibility of vocational trainees raises a business difficulty. A young man is turning his hand to a new trade or calling. He is in the initial stages of his training; and, even though he may be making good headway, he may, within a month or two, have lost all inclination to continue. Off he goes, neither fully equipped to follow that avocation nor feeling inclined to do so. If he were to make application for a home at that stage, it could scarcely

be said that he had reasonable prospects. However, as a trainee approaches the final stages of his course—and having, perhaps, the promise of securing a lucrative position—I think that the Commissioners might be induced to say that such a man is eligible to come within the scope of the War Service Homes legislation.

Mr. CAMERON.—What about the case of a married trainee?

Mr. RODGERS.—One cannot very well take into account that condition, irrespective of the position as I have just stated it. The test concerning whether or not a trainee has prospects of carrying out his home-purchasing obligation is not necessarily influenced by the fact of his being married. If a trainee is not married, he is not eligible to come within the scope of this legislation unless, of course, he can comply with the tests I have just mentioned.

Some honorable members have raised the matter of building homes in country parts, and have critically compared the rate of progress with that in metropolitan areas. I certainly think there is room for speeding up so far as construction in the country is concerned; I would like to see many more homes built in the country districts. It must not be forgotten, however, that there is a distinct advantage in building on large areas in cities, in the matter of the Commissioner being able to make comparatively large contracts for the supply of material at practically the one site, and with respect to concentration of labour. However, I shall do all I can to speed up country construction.

As for the matter of private purchase of homes already erected, there is provision in the Act, and transactions in respect of such homes are subject to the same limit as ordinarily. If the Commissioner is not satisfied that an equivalent value for the amount of his advance is contained in the house he is quite free to refrain from making the full amount of advance; or again, if the value of the house is in excess of the limit of the advance, the applicant is free to personally provide the difference. Regarding the latter point, some honorable members appear to have become confused with the idea that this represents the payment of a deposit. Ordinarily, homes are built on the rent instalment purchase system. If, however, an applicant desires to pay

down, say, a total of 10 per cent., the Government are prepared to advance the remaining 90 per cent., so allowing the applicant to become the registered proprietor of his home—the Department taking out a mortgage for the amount of the 90 per cent. advance. If, after an applicant has paid up 15 per cent. of the purchase money, by instalments, he desires to become the registered proprietor, the Department will agree to the conversion of the contract at that stage, and will accept the position of mortgagee. This class of transaction, again, may have given rise to the erroneous belief that a deposit is required.

I have been asked by the honorable member for Fremantle (Mr. Burchell) to state the position in the event of an applicant choosing a design for his house, and it being discovered that the structure will cost more than the estimated value. If the Department were to estimate that the house would cost not more than £800—which sum was advanced—and it were found that, as a result of fluctuating prices, the home eventually cost £825, the applicant would be at an advantage compared with others; that is, unless he were brought down to within the £800 limit and required to find the difference himself.

Mr. BURCHELL.—The experience in Western Australia, under the Workers' Homes Board, is the opposite of the Minister's argument. And after all, if he has the value in the house itself, what does it matter to the Commissioner?

Mr. RODGERS.—The honorable member is confusing Western Australia's State housing scheme with this measure, which provides a limit up to £800.

Mr. BURCHELL.—With respect to the other scheme, there is also a limit.

Mr. RODGERS.—In Western Australia there must have been some discretion allowed the responsible Minister.

Mr. BURCHELL.—And there should be some discretion allowed the Commissioner here. Of course, if an applicant asked for certain extras he should pay for them; but if the estimate of the Department's officers were at fault, and the eventual cost of the house were heavier than the estimate, the Department should be prepared to help the applicant, and not ask him to pay the difference.

Mr. RODGERS.—The honorable member is assuming that if there is any excess over the estimate the fault will be due to

miscalculation on the part of officers of the Department. I cannot accept that view. However, I have carefully noted the objection; but, within the scope of this measure, I cannot offer any redress. It will be a matter for further consideration.

This Bill proposes to widen the scope of our War Service Homes legislation. The honorable member for Wentworth (Mr. Marks) raised the question of who should have preference. The policy of the Department is to give first preference to members of the Australian Imperial Force, or to widows of fallen soldiers. After that, there might be other persons eligible to benefit, for whom the Commissioner would be placed under no disadvantage if he were to agree to provide homes, while at the same time carrying out contracts elsewhere. But, subject to that consideration, the policy of preference is precisely as I have indicated.

The honorable member for Yarra (Mr. Tudor) mentioned a matter of considerable interest to the general community, but which is not relevant to the question of who shall benefit under this measure. He referred to the ferocity of the rapacious landlord, and so forth. This Bill should go a long way towards relieving that condition of affairs by providing tens of thousands of homes for men who previously depended upon the landlords.

Dr. MALONEY.—Some of the landlords should be in gaol.

Mr. RODGERS.—Like the honorable member, I am a keen advocate of every man owning his own home, if possible. The home is the first institution in life. If we have plenty of homes we shall have plenty of Australian families: the excessive growth of flat life will not be for the benefit of our race. I assure honorable members that I shall do everything within my power to hasten the construction of homes. To those honorable members who have expressed a desire to widen the scope of the measure in order to include many other classes of persons who rendered great service in the war, I reply that we should first try to make greater headway with the provision of homes for the men of the fighting Forces. As I have already shown, 27,000 applications have been received, and many more may be expected. If honorable members insist upon the inclusion of new classes of beneficiaries they will

only increase the difficulties of the Government and lessen the chance of members of the active fighting Forces getting their homes within a reasonable time.

Mr. McGRATH.—Why did the Government include the Young Men's Christian Association and leave out the Salvation Army?

Mr. RODGERS.—Every person who served in the war zone is eligible for the benefits under the War Service Homes Act. Members of the Salvation Army who were accepted for service as chaplains and members of the Young Men's Christian Association accepted for service with the Australian Imperial Force, are alike eligible under the Act. The many honorable members who spoke during this debate have stressed numerous phases of the housing problem. It is impossible for me to answer the remarks of every honorable member, and I invite those who have raised important questions to which I have not replied to address a direct interrogation to me on the subject.

The honorable member for Lilley (Mr. Mackay) referred to the discrimination in the legal provisions for housing under the War Service Homes scheme, and the building of houses on broad acres under the land settlement scheme. The construction of houses on broad acres does not come within the purview of the scheme now before the House. The Department has no obligations in that respect; but the matter is none the less important, for while the House is asked to give authority for the construction of homes up to a maximum cost of £800 in the metropolitan area, this Parliament and the State Parliaments together have decided that a sum of £625 is sufficient for the building of a home on the land, and the acquiring of stock, implements, equipment, fodder, and all that is necessary for the settlement of a soldier upon the land. There is a wide discrimination, I admit, but the matter does not come within the province of the Housing Commissioner. It is a matter that particularly concerns the States, which control the land settlement policy; the Commonwealth has merely found the money to give effect to that policy.

The honorable member for Lilley (Mr. Mackay), and the honorable member for Ballarat (Mr. McGrath) referred to the position of leaseholders and holders of miners' rights. At the present time those persons are not eligible, as a matter of administration, for an advance under the

War Service Homes Act. The Government have determined that they will erect homes only on freehold land in respect of which there can be no doubt as to the validity of the title and the reversionary rights of the Commonwealth. Miners' rights exist in only two States, Victoria and Queensland. The Commissioner has approached the Governments of both States, and an arrangement has been made with the Government of Victoria under which the Commonwealth may, without any objection being raised by the State authorities, compulsorily acquire any area covered by a miner's right for the purpose of building a soldier's home. The Queensland Government, however, has declined, even if compulsion be resorted to, to issue a freehold in respect of a miner's right. I am sorry that this matter could not have been arranged in a friendly spirit between the Commonwealth and all the States, so that a short measure might be passed in each State Parliament to convert the tenure of these lands, in order that the whole scheme of housing might be based on a uniform system of freehold. Many members claim that a perpetual lease and a miner's right offer a fair security to the Commonwealth, but what we are aiming at is the complete ownership by the soldier of his own home. We desire that when the soldier has paid off his obligations to the Department we may be able to issue to him a grant of the unencumbered freehold of his home, as his reward for the service he rendered. I shall endeavour to see if we cannot yet make this arrangement with the States by mutual consent.

In regard to housing operations in South Australia, the honorable member for Wakefield (Mr. Richard Foster) and the honorable member for Adelaide (Mr. Blundell) have on many occasions called attention to the overlapping and duplication in that State. South Australia has a very commendable record, its housing scheme having been well conducted by the State Government on very favorable terms. The State system, however, was inaugurated at a time when the price of money was lower, and the demand for housing accommodation was less acute than it is to-day. During the most critical years of war there was almost a stoppage of building operations. With the return of the soldiers, the demand for houses increased, and under the

conditions which exist to-day, it has not been possible for the Commonwealth to offer terms as advantageous to the soldiers as those which the South Australian Government offered. I would like to have seen an arrangement made under which the State Government, which had done so much and so well in regard to housing, could have been given control of the building of homes for the Commonwealth under conditions approved by this Parliament. Of course, we could not take the risk of handing over to the State complete charge of the scheme for building homes for soldiers. Such an arrangement has not been possible; the South Australian Government has pulled out of the work, and the obligations now rest wholly upon the Commonwealth.

MR. RICHARD FOSTER.—The State authorities set a standard which the Commonwealth will never reach.

MR. RODGERS.—I have been endeavouring to commend the work done by the State Government, and I am now stating the position as it is to-day. Mr. Laffer, the Minister for Repatriation in South Australia, has made a statement in which he places upon the Commonwealth Repatriation Department the full responsibility of the present position of affairs. All I can do at this stage is to read to the House Senator E. D. Millen's answer. He said—

"I am very surprised," said Senator Millen, "to see the statement of Mr. Laffer, in which he says that the action of the South Australian Government in deciding to discontinue its housing operations for soldiers is due to the Commonwealth extending to South Australia the operations of the War Service Homes Act.

"The facts are that upon the Housing Commissioner taking the initial steps to commence his operations in that State, it was represented to the Commonwealth Government that as South Australia was already dealing with soldier housing it was a duplication for the Commonwealth to undertake the same responsibility.

"Instructions were therefore given to cease operations under the War Service Homes Act in South Australia pending a promised communication from the Government of that State. No communication was ever received, but at the recent Premiers' Conference, as the result of a discussion with Mr. Laffer, that gentleman undertook, after conference with his colleagues, to submit a proposal under which the work would be left entirely to the State.

"No communication was received, however, until a reminder had been forwarded. After this Mr. Laffer wrote stating that his Government had decided to cease operations.

Mr. Rodgers.

"It will thus be seen that, whilst the Commonwealth held its hand with a view to co-operation with the State Government, the latter has decided to withdraw, leaving the Commonwealth no alternative but to proceed with the work of war service homes building in that State."

Many other questions of a detailed nature were raised during the debate, and if further information upon them is desired I shall endeavour to furnish it in Committee.

Mr. TUDOR.—Did the Minister during my absence deal specifically with the case of limbless and blind soldiers?

Mr. RODGERS.—Yes; and I repeat that I think we can give effect to the wish expressed by the honorable member under section 47, which provides that the Housing Commissioner may build homes for such persons at the Repatriation Commissioners' request. It becomes now a question of policy for the Government, the Housing Commissioner, and the Repatriation Commissioners to agree that, in lieu of certain increased pension provision, homes may be provided.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—Order! The Honorary Minister's time has expired.

Mr. MAXWELL (Fawkner) [9.45].—I would like to know—

Mr. SPEAKER.—Order! The honorable member may not speak now. The Minister has already replied, and the debate upon the second reading of the Bill has closed.

Mr. POYNTON.—I moved the second reading of the Bill.

Mr. SPEAKER.—But since that time I understand that the Honorary Minister (Mr. Rodgers) has taken charge of the measure completely.

Mr. POYNTON.—That is so now.

Mr. SPEAKER.—In that case the Honorary Minister must be regarded as having replied, and the debate is therefore closed.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 agreed to.

Clause 2—

Section 4 of the principal Act is amended—

(a) by inserting in paragraph (a) of the definition of "Australian soldier" after the word "Australia" first occurring) the words "enlisted or appointed for or";

(b) by omitting from paragraph (b) of the definition of "Australian soldier" the words "and was employed on active service outside Australia";

Mr. GREGORY (Dampier) [9.48].—In the early stages of the war a great number of young fellows, many of them officers, were accustomed to parade the streets of Melbourne, and of our other capital cities, in uniform. There was no greater disgrace to Australia than the way these men used to swagger about our public thoroughfares. They enlisted for service abroad, but refused to leave our shores except as officers. It seems to me that, under the clause we are now considering, they will be entitled to the benefits which will be conferred by this measure. I do not object to persons who enlisted during the later stages of the war, but who did not go abroad owing to the termination of the struggle, receiving all the benefits which will accrue to them under the Bill.

Mr. TUDOR.—The honorable member must not forget that the Defence Department kept some officers here for the purpose of drilling the men who enlisted.

Mr. GREGORY.—There were not many cases of that sort. In a good many instances these men were kept here at their own instigation.

Mr. RODGERS.—Every member of the Australian Imperial Force, when he was sworn in and accepted for service, placed himself unreservedly in the hands of the authorities.

Mr. GREGORY.—I know of one case in which a man held such an important job here that he could not be spared for service abroad. Yet the Department closed down the work upon which he was engaged only a month afterwards. He did not go abroad, and I know that a good deal of influence was used to keep him in Australia. According to the figures given by the Honorary Minister to-night, 27,000 applications have already been received for War Service Homes. That means an expenditure of £21,000,000, and, consequently, it is fair to assume that the entire scheme will cost £25,000,000. We have also war gratuities to pay, and, therefore, we cannot afford to be too liberal in this matter.

Mr. RODGERS.—If we do what the honorable member wishes us to do we shall inflict grave hardship upon many persons.

Mr. GREGORY.—I would extend the provisions of this measure only to those men who actually left our shores.

Mr. BLAKELEY.—Then the honorable member would debar those who enlisted *bonâ fide* from participating in the benefits which will be conferred by this Bill.

Mr. GREGORY.—The honorable member must recognise the enormous drain which this Bill will make upon our resources. We have enormous obligations to meet within the next two years, and we cannot afford to give so much away.

Mr. LAZZARINI.—These are all paying propositions.

Mr. GREGORY.—Honorable members should reflect very carefully before committing the Commonwealth to such a great expenditure. If at a later stage we can go in for a general housing scheme I shall be only too pleased, but certainly we cannot afford to do that now.

Mr. McGRATH (Ballarat) [9.55].—I hope that the Government will retain the clause in its present form. I cannot understand the contention of the honorable member for Dampier (Mr. Gregory). Even if we did what he has suggested, we should not affect 200 persons throughout Australia. If the definition of "Australian soldier" be altered, we shall injure a number of men who enlisted for service abroad, but who were retained here for special service. It was not their fault that they did not leave Australia. The definition as it stands is a very fair one, which will overcome some of the difficulties from which our soldiers are suffering to-day.

Mr. MAXWELL (Fawkner) [9.56].—I should like the opinion of the Honorary Minister (Mr. Rodgers) upon the scope of paragraph *a* of this clause. I desire to know whether it will cover a certain class of men—I refer to those whose case was advocated this afternoon by the honorable member for Wentworth (Mr. Marks)—the staff and men of the Royal Australian Naval Brigade. I know certain members of that staff who were as keen as mustard in their war enthusiasm, and who volunteered for service abroad, but who were notified that they were required at home. Had these men been kept here simply for home service I should have nothing to say upon the matter. But certain of them were sent out upon special service. They were sent outside the territorial waters of Australia upon examination duty. I know one member of the staff, especially, who was thus engaged for several months. He was employed upon this examination work,

for weeks he had not his clothes off night or day, he was scarcely ever dry, and he was certainly in the danger zone, because there was always a possibility of his encountering German warships or of striking a mine. I should like to know whether his case is covered by the definition of "Australian soldier." That definition sets out that "Australian soldier" means a person who, during the continuance of the war, was a member of the Naval Forces of Australia employed on active service outside Australia. My reading of that provision is that a member of the Naval Forces who was sent beyond our territorial waters into the danger zone was upon active service outside Australia.

Mr. BURCHELL.—I understand that all members of the Royal Australian Naval Brigade, when called up at the outbreak of war, were regarded as being on active duty, whether they were on duty ashore or afloat.

Mr. MAXWELL.—Therefore, the only thing required to bring the man whose case I have cited within the definition of "Australian soldier" as set out in paragraph *b* was that he should be sent outside Australia. He was sent outside our territorial waters. I should like to know whether in the opinion of the Minister this case is covered by this definition. Clearly such a man should be eligible to receive the benefits which will be conferred by the Bill.

Mr. RODGERS (Wannon—Honorary Minister) [10.0].—I regret to say that in the past the ruling of the Minister for Repatriation (Senator E. D. Millen) has been to the effect that members of the Royal Australian Naval Brigade are excluded from participating in the advantages conferred by the principal Act. Two classes in particular are not provided for at present, namely, the Royal Australian Naval Brigade and the Royal Garrison Artillery, but in respect of them I am making a recommendation, which I hope will be accepted, as they were practically mobilized at the outbreak of war and stood at attention waiting for instructions. Had any German raider escaped from the patrol of the seas and attacked Australia, these were the men who would have been called upon to meet the enemy. I ask the honorable member for Fawkner (Mr. Maxwell) not to press, at this stage, for the inclusion of the Royal Australian Naval Brigade. I hope to make an announcement on the subject before the Bill is finalized.

Mr. GREGORY (Dampier) [10.1].—I move—

That paragraph (a) be left out.

My desire is to get a clear indication from the Committee upon the point I raised as to whether the advantages of the Act should be extended only to those who enlisted and were engaged on active service.

Mr. TUDOR (Yarra) [10.3].—I hope the Committee will not agree to the amendment. If this were a Gratuity Bill there would, no doubt, be much to recommend it, because it might then be argued that we were extending the liability of the Commonwealth. But with respect to this measure the Minister has assured us that only a very small percentage of the liability is outstanding at the present time.

Mr. McGRATH.—About £1,500.

Mr. TUDOR.—I understand that nearly £200,000 has been repaid by persons who have received advances, and that less than £2,000 is overdue.

Mr. BLAKELEY.—And for which security is held by the Commonwealth.

Mr. TUDOR.—That is so. The advance is not a gift. The Government are merely lending the money to eligible persons who rendered some service to the Commonwealth during the war. I am not in favour of limiting the advantages of the Act. My desire is to extend them if possible. I have in mind the case of a man who was living at Mildura, and who had served in the South African War. He enlisted, but was turned down. Then he went to Kerang, enlisted again, and was once more rejected. Next he went to Bendigo, had the same experience there, and finally, in Melbourne, was accepted for home service. This man enlisted seventeen times, and he was very anxious to get away. Another man, an officer of the Citizen Forces, enlisted at the outbreak of the war, but the authorities said that his services as an instructor for the men in camp and as a "coach" for officers were so valuable that he could not be spared for service overseas. He signed on in the Australian Imperial Force, and actually got on board a transport, but was withdrawn and kept in Australia. Senator E. D. Millen told me that he thought this man should have the advantages of the Act, because probably his services to the Commonwealth were as valuable as were the services of many

men who went to the Front. I shall vote against the amendment.

Amendment negatived.

Mr. CHARLTON (Hunter) [10.6].—During the second-reading debate the honorable member for West Sydney (Mr. Ryan), referring to the definition clause, mentioned that there did not appear to be provision for organizations similar to the Young Men's Christian Association, which is specially included; and he instanced the case of the Salvation Army. The Honorary Minister (Mr. Rodgers), in reply, said the definition provided for the Salvation Army, but I see no reference to that organization, and I think that if the Young Men's Christian Association is included, the Salvation Army, or any other religious or charitable association which rendered similar service, should also be provided for.

Mr. MAXWELL.—Otherwise an invidious distinction will be made.

Mr. CHARLTON.—Yes; we shall have laid at our door the charge that, in this Bill, we provided only for a certain section, whilst others, who did equally good work, received no recognition. I ask the Minister, in view of his statements, to be good enough to inform the Committee in what way the Salvation Army, or any other religious bodies, are provided for.

Mr. RODGERS (Wannon—Honorary Minister) [10.8].—Every member of a denomination who served in the danger zone, or who was accepted for service, is included in the scope of the measure. "Accepted for service" is the governing term. In the case of the Salvation Army, all chaplains are eligible, as are all chaplains of other religious denominations; but members of the Young Men's Christian Association, who were not chaplains but who were "accepted for service" within the danger zone are now put on the same footing as chaplains.

Mr. CHARLTON.—What about members of the Young Men's Christian Association who were not chaplains but performed similar work?

Mr. RODGERS.—They will not be included. I hope the honorable member will not press for the inclusion of others,

such as Red Cross workers and Comforts Fund workers, while members of the Royal Australian Naval Brigade and members of the Royal Garrison Artillery are excluded.

Mr. CHARLTON.—But will not this definition include the whole of the members of the Young Men's Christian Association who were doing any work at all?

Mr. RODGERS.—I do not think this definition will apply to more than fifty persons. It is a special provision, inserted to put Young Men's Christian Association officials on the same footing as those chaplains I have enumerated, and who, having been "accepted for service," are included. I assure the honorable member that chaplains in the Salvation Army, "accepted for service," are included, and that the definition does not include every member of the Young Men's Christian Association. It would not be feasible or wise for the Commonwealth to undertake so wide an obligation as to make housing provision for all those who rendered service behind the lines.

Mr. MARR (Parkes) [10.10].—I understand it is now the intention of the Honorary Minister (Mr. Rodgers) to make provision for the inclusion of members of the Royal Australian Naval Brigade and members of the Royal Australian Garrison Artillery, and if such is the case, I should like to know why others who are in the same category are to be excluded. If the members of the units mentioned are to come under the provisions of this Bill, why are not the members of the Royal Australian Engineers and the members of the Wireless Staff, who enlisted and who were liable to be sent abroad, to be overlooked? If we include some, we must include them all, and there does not appear to be any justification for separating them in this way. The engineers were in attendance throughout the day and night for the whole period of the war, and surely they are entitled to some consideration. I have recently been in consultation with the Repatriation Department, and have received a ruling to the effect that men who enlisted as doctors and dentists and who were engaged in home service work are not to receive any benefits at all.

Mr. BURCHELL.—This is to cover men who enlisted.

Mr. MARR.—I had a distinct ruling from the Repatriation Department today.

Mr. BURCHELL.—But this Bill is to cover men who actually enlisted.

Mr. MARR.—But I am referring to those who are included in the Repatriation Act, and am contending that if we include the members of the Royal Australian Naval Brigade and Royal Australian Garrison Artillery, we should also include the members of other units. I understand that the measure applies only to those munition and war workers who were employed in connexion with the Government scheme, but it must be remembered that the Government had supervision of the men only during the latter period. There were many war workers who went away at their own expense, and although they were working side by side with men who were under Government supervision, they found on their return that they were not to participate in the benefits provided under such measures as this. I trust the Minister will carefully consider this matter, and see that if munition and war workers are to benefit, others in the same category are also included.

Mr. GREGORY (Dampier) [10.15].—I am in accord with the views expressed by the honorable member for Hunter (Mr. Charlton). Although representatives of the Young Men's Christian Association rendered satisfactory service, I know, from letters I received from the Front, that the representatives of the Salvation Army were more in touch with the soldiers, who seemed to appreciate the work of that organization more than they did that of the Young Men's Christian Association. I cannot understand why representatives of the latter organization should be included when the representatives of the Salvation Army are not. This clause makes it clear that any member of the Young Men's Christian Association accepted for service—

Mr. BURCHELL.—That is the whole point, "accepted for service."

Mr. TUDOR.—Surely some members of the Salvation Army were in a similar position.

Mr. RODGERS.—The chaplains of the Salvation Army are eligible, but the great body of men behind them are not

included. On the other hand, certain representatives of the Young Men's Christian Association who were in the danger zone are specifically mentioned, but the members of the Young Men's Christian Association behind them are not included. It is merely putting the officers of the Young Men's Christian Association in the same position as chaplains of other denominations.

Mr. GREGORY.—Then this provision will not bring in the general body of the Young Men's Christian Association workers.

Mr. RODGERS.—Certainly not.

Mr. McGRATH (Ballarat) [10.16].—I do not know why special mention should be made of Young Men's Christian Association workers. If they were accepted for service they are entitled to all the benefits. If a man joined the Australian Imperial Force and went to Great Britain, France, or Gallipoli, he would be entitled to the benefits to be conferred by this Bill. I realize that the measure is not to apply to the general body of Salvation Army workers. I do not know of any one other than chaplains who went in a similar capacity to the representatives of the Young Men's Christian Association. Most of the representatives of the Young Men's Christian Association supervised sports and entertainments on troopships, and took charge of football matches in England and in France and did very good work. There were no representatives of the Salvation Army who went abroad in a similar capacity, as they either enlisted in the Army as chaplains and were attached to infantry or artillery units. As regards the work performed by the two organizations in the base camps, that of the Salvation Army stands by itself. I have known instances where the representatives of the Young Men's Christian Association did not do good work, but there are others where they performed very satisfactory service. It all depended on the official in charge. I trust the honorable member for Hunter (Mr. Charlton) will not move an amendment on the lines he has indicated, because, if such an amendment were carried, it would not benefit one officer of the Salvation Army who we are not already providing for.

Mr. BELL (Darwin) [10.19].—I am somewhat in sympathy with the views expressed by the honorable member for Bal-

larat (Mr. McGrath), because I do not know why there should be a distinction between the representatives of the Young Men's Christian Association and the Salvation Army. I did not come in contact with many representatives of the Salvation Army, but that is not saying that they did not do excellent work. In Gallipoli and Palestine we had quite a number of Young Men's Christian Association men, but they were all in charge of canteens or supervising sports, and were well behind the lines. It would be difficult for the Department to decide as to what work was done within the danger zone. I do not know that there are any records to show whether a Young Men's Christian Association official remained all through in camp at, say, Monastir, or whether he went up to Jerusalem. No records would be kept of their movements.

Mr. BURCHELL.—Some were accepted for service as members of the Young Men's Christian Association, and others were not.

Mr. RODGERS.—The applicant would have to satisfy us as to the character of his work.

Mr. BELL.—A Young Men's Christian Association official might not have been within 500 or 600 miles of the danger zone. I am opposed to enlarging the scope of the Bill in order to bring these gentlemen under it at the present time.

Mr. RODGERS.—This definition is designed only to make clear what was a doubtful point. I hope the honorable member will accept my assurance that it is by no means certain that it involves any enlargement of the scope of the Act.

Mr. BELL.—My opinion is that subparagraph *d* of paragraph *c* will only create difficulties for the Department. I am satisfied in my own mind that it will not be possible to show what members of the Young Men's Christian Association who left Australia for service abroad were within the danger zone. According to the Minister's statement, any member of the Young Men's Christian Association who was accepted for service will come within the scope of the Bill so long as he served outside Australia.

Mr. RODGERS.—The Department has gone into this matter. The sub-paragraph to which the honorable member refers will not bring in at the outside more than forty or fifty of these special officials who were accepted for service.

Mr. BELL.—Then why should not the remainder be brought within the Bill?

Mr. RODGERS.—Because they were not accepted for service.

Mr. BELL.—I fail to see any distinction between those members of the Association who were accepted for service and other members who were not, but did exactly the same work. I am afraid that we can make no headway in this matter; but I firmly believe that it will not be possible to obtain any records to show the Department what members of the Association served within the war zone.

Mr. TUDOR (Yarra) [10.24].—I am in favour of members of the Young Men's Christian Association who were accepted for service being brought within the scope of this Bill. When another measure was under discussion I spoke of the desirability of taking this action, and two returned soldier members of the Ministerial party asserted that the work done by the Young Men's Christian Association with our oversea Forces was not to be compared with that done by the Salvation Army. The honorable member for Fremantle (Mr. Burchell), and the honorable member for Robertson (Mr. Fleming) would not admit that the Young Men's Christian Association officials had done anything that would compare with the work achieved by the Salvation Army.

Mr. BURCHELL.—I think that the honorable member's memory is at fault.

Mr. TUDOR.—Not at all. I have a very good recollection of the statement made by the honorable member.

Mr. BURCHELL.—I believe that the Salvation Army did better work than the Young Men's Christian Association.

Mr. TUDOR.—That is what the honorable member said on the occasion to which I refer. I then stated that in my opinion both the Young Men's Christian Association and the Salvation Army had done magnificent work. We now find the Government differentiating between the two organizations. Members of the Young Men's Christian Association are specifically brought within the scope of the Bill.

Mr. LISTER.—We are told that the Salvation Army officers are already provided for.

Mr. MARKS.—Chaplain Colonel McKenzie is provided for.

Mr. TUDOR.—Because he is a chaplain. All chaplains come within the scope of the Bill.

Mr. MAXWELL.—The Salvation Army is a "denomination," whereas the Young Men's Christian Association is not.

Mr. TUDOR.—Is the honorable member sure of that? Everything will depend upon the interpretation placed upon the words "eligible persons" and "accepted for service . . . as a representative of that association." If the Honorary Minister (Mr. Rodgers) will assure me that there is no differentiation to the disadvantage of the Salvation Army or other denominations or associations, I shall be satisfied.

Mr. RODGERS.—I assure the honorable member that the Salvation Army chaplains are not shut out.

Mr. MARR (Parkes) [10.27].—I should like to have from the Minister (Mr. Rodgers) a statement as to whether it is the intention of the Government to bring war workers, including munition workers, within the scope of the Bill.

Mr. RODGERS (Wannon—Honorary Minister) [10.28].—In order to remove any doubt, and so as not to leave the question entirely to the discretion of the Commissioner, the Bill clearly sets out the definition of "eligible person," and munition workers are brought within the Bill. The definition of "munition worker," as accepted by the Department, is "one who went abroad under arrangement with the Defence Department." It does not include those who of their own volition went abroad as munition workers, or to do something else which might have been of great value to the Allied cause. The honorable member will recognise the difficulty of following up such cases, and ascertaining the nature of the work actually done. We have a direct record of the munition workers who went away under arrangement with the Defence Department. There is a connecting link between the Department here and the authorities at Home which enables us to ascertain the terms of their engagement. On the other hand, we have no record of those who, from patriotic motives, went away as war workers apart from any arrangement with the Department, and to include them would be to open the door altogether too wide.

Clause agreed to.

Clause 3—

After section 14 of the principal Act the following section is inserted:—

"14A. Before exercising any power under this Act in connexion with the acquisition of

land or building material or with any contracts incidental thereto, the Commissioner shall, if the exercise of the power involves the expenditure of more than Five thousand pounds, submit his proposal for the approval of the Minister."

Mr. GREGORY (Dampier) [10.30].—This is the clause under which the Government recognise that the Commissioner should not have power to spend more than £5,000 without the approval of the Minister. A recent purchase of timber areas and saw-mills has been extensively discussed during the debate on this Bill, and I ask the Minister in charge of the measure whether the Government are prepared to instruct the Public Accounts Committee to inquire into and report to Parliament in connexion with that purchase. Every honorable member who realizes his responsibility must recognise that when the original Act was passed it was never intended for a single moment that a transaction of that magnitude should be entered into without consulting Parliament. It may be that it was within the legal definition of the powers given to the Minister for Repatriation and the Commissioner under the Act, but as Parliament was sitting the Government should have reported the transaction to it. Will the Government agree to refer the transaction to the Public Accounts Committee, and ask them to inquire into it and report?

Mr. RODGERS (Wannon—Honorary Minister) [10.32].—The object of the amendment proposed by clause 3 is to bring the action of the Commissioner in respect to any purchase, whether of land or material, exceeding £5,000 within the purview of the Minister. Under the existing Act the approval of the Minister was required only when such an expenditure was involved in the purchase of land. The honorable member for Dampier (Mr. Gregory) asked me whether I am prepared to refer the recent purchase of timber and saw-mills in Queensland to the Public Accounts Committee. I am sorry to say that I cannot undertake to do that, but I remind the honorable member that assurances have been given, by both the Prime Minister (Mr. Hughes) and the Minister for Repatriation (Senator E. D. Millen), that any future transactions involving the expenditure of large sums of money will be brought before Parliament.

Mr. RYAN (West Sydney) [10.34].—I understood the Honorary Minister (Mr. Rodgers) to say that he was not

agreeable to the suggestion of the honorable member for Dampier (Mr. Gregory) to have the Queensland transaction referred to the Public Accounts Committee. I think the honorable member's request was a very proper one to make.

Mr. BELL.—We might just as reasonably ask for an inquiry by the Public Accounts Committee into every purchase of timber.

Mr. RYAN.—I am prepared to extend the suggestion to the purchase of all timber. The honorable member for Dampier is very modest when he asks that only this particular transaction shall be referred to the Committee. I hope that he will press his request by seeing that some suitable amendment is submitted which will enable that transaction to be reviewed.

Mr. GREGORY.—I cannot, by an amendment of this Bill, deal with a transaction which has already taken place.

Mr. RYAN.—Why not?

Mr. GREGORY.—How could it be done?

Mr. RYAN.—The honorable member can do it very simply. If all that he requires is the drafting of an amendment for the purpose, I can suggest how it might be done. We might add to the clause the words—

And, moreover, any agreement which has already been made for the purpose of saw-milling and timber lands in Queensland involving an amount of about £500,000 shall be subject to the approval of Parliament.

That would cover what the honorable member desires.

Mr. RODGERS.—Where would it leave the unfortunate vendor who has given up possession?

Mr. RYAN.—That would be merely a matter for compensation. If the position is as Ministers have assured us, the inquiry suggested would prove that the transaction is entirely above board, and one which should have been entered into. The request of the honorable member for Dampier might be given effect to, if not by an amendment of this clause, by the insertion of a new clause. I hope that the honorable member will press his suggestion, as there is the germ of a sound idea in it. The particular transaction to which he has referred should be reviewed. I am interested in it to this extent: That I am vitally concerned in the success of State enterprises. I hope to see them successful, and for that reason I trust

that no transaction entered into as a State enterprise will be undertaken under conditions, or a purchase made under terms, which might lead to that State enterprise being a failure.

Mr. MAXWELL.—The honorable member hopes that the transaction which has been referred to will be a great success.

Mr. RYAN.—I do, indeed. The honorable member for Fawcner (Mr. Maxwell) will, I am sure, give me credit for being sufficiently patriotic not to hope that the country would lose by it. I hope that it will be successful, because I believe in the policy of State enterprise in such matters. The honorable member for Dampier knows that certain suggestions have been made with regard to the soundness of the Queensland transaction, apart from the policy involved.

Mr. GREGORY.—I do not want to pre-judge it; that is why I should like to have an inquiry.

Mr. CHARLTON.—I have given notice of an amendment to clause 5 which will cover the ground.

Mr. RYAN.—I am glad to hear that, and therefore I will not press the matter further at this stage.

Clause agreed to.

Clause 4 agreed to.

Clause 5—

After section 17 of the principal Act the following section is inserted:—

"17A. (1) The Commissioner may erect, complete or enlarge, for eligible persons, dwelling-houses on land owned by them or may enter into contracts for the erection, completion or enlargement of dwelling-houses on such land.

(2) Where the Commissioner erects, completes or enlarges or enters into a contract for the erection, completion or enlargement of, a dwelling-house in pursuance of this section, he may require the owner of the land to give such security as he thinks necessary for the repayment of the amount expended by him in the erection, completion or enlargement of the dwelling-house."

Mr. CHARLTON (Hunter) [10.38].—I move—

That after the word "them," line 5, the following words be inserted:—"and for that purpose may acquire or establish, with the consent of Parliament, brickworks, saw-mills, and cement works."

It will save time if the Minister in charge of the Bill will say whether he is prepared to accept that amendment. If he is not prepared to accept it, considerable time may be taken up in discussing it.

Mr. RODGERS (Wannon—Honorary Minister) [10.39].—The honorable member's amendment opens up the whole field of State enterprise. As I mentioned in some earlier remarks, that is a matter upon which honorable members hold very fixed views. My object in rising now is to remind the Committee that many new beneficiaries are awaiting the passage of this measure. Their applications are already in, some under the assumption that they were already included. I hope that honorable members opposite will be prepared to put the amendment now moved to a test as early as possible, so as not to delay the passage of the measure.

Progress reported.

House adjourned at 10.40 p.m.

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1. Sworn 27th February, 1920. — 2. Sworn 3rd March, 1920. — 3. Appointed Temporary Chairman of Committees, 4th March 1920. — 4. Made affirmation, 5th March, 1920. — 5. Election declared void, 2nd June, 1920. — † Sworn 11th May, 1920. — 6. Elected 10th July, 1920. Sworn 21st July, 1920.

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